

INSTITUT
C.D. HOWE
INSTITUTE

Intelligence Canadians Can Trust



ANNUAL REPORT 2014

Our Mission

The C. D. Howe Institute is an independent not-for-profit research institute whose mission is to raise living standards by fostering economically sound public policies. It is Canada's trusted source of essential policy intelligence, distinguished by research that is nonpartisan, evidence-based and subject to definitive expert review. It is considered by many to be Canada's most influential think tank.

Board of Directors

Chair

Hugh L. MacKinnon

Chairman and Chief Executive Officer,
Bennett Jones LLP

Vice-Chair

Brian M. Levitt

Partner & Co-Chair, Osler, Hoskin &
Harcourt LLP

President and Chief Executive Officer

William B.P. Robson

C.D. Howe Institute

Directors

Elyse Allan

President and Chief Executive Officer,
GE Canada Inc.

Charles Brindamour

President & Chief Executive Officer,
Intact Financial Corporation

Scott Burns

Chairman and Chief Executive Officer,
BURNCO Group of Companies

Dianne Craig

President and Chief Executive Officer,
Ford Motor Company of Canada, Limited

Philip C. Deck

President, Extuple Inc.

Hélène Desmarais, C.M.

Chairman and Chief Executive Officer,
Centre d'entreprises et d'innovation de
Montréal

Victor Dodig

President & CEO, CIBC

N. Murray Edwards

President, Edco Financial Holdings Ltd.

Sheldon Elman, M.D.

Chairman and Chief Executive Officer,
Medisys Health Group Inc.

Gordon J. Fyfe

Chief Executive Officer/Chief Investment
Officer, BC Investment Management
Corporation (bcIMC)

Blake C. Goldring, M.S.M., CFA

Chairman and Chief Executive Officer,
AGF Management Ltd.

Bruce Gordon

Chairman, Manulife Bank, Manulife Trust

Paul J. Hill

Chairman, President and Chief Executive
Officer, Harvard Developments Inc., A Hill
Company

Dallas Howe

Chair, Potash Corporation of
Saskatchewan

Tom Jenkins, O.C.

Executive Chairman and Chief Strategy
Officer, Open Text Corporation

Richard Legault, CPA, CA

President & Chief Executive Officer,
Brookfield Renewable Power

Jeffrey Lozon, C.M.

Chief Executive Officer, Lozon Associates

Gerald T. McCaughey

President and Chief Executive Officer,
Canadian Imperial Bank of Commerce

Al Monaco

President, Enbridge Inc.

William Morneau

Executive Chairman, Morneau Shepell

Gilles G. Ouellette

President and Chief Executive Officer,
Private Client Group, BMO Financial
Group, and Deputy Chair,
BMO Nesbitt Burns

Steve Parker

Chairman and Chief Executive Officer,
The CCL Group

Aaron Regent

Founder & Managing Partner, Magris
Resources Inc.

Donald S. Reimer

Chairman, President and Chief Executive
Officer, Reimer Express World Corp.

Tracy Redies

President and Chief Executive Officer,
Coast Capital Savings Credit Union

Stephen Smith

Chairman, President & Co-founder, First
National Financial LP

Catherine Swift**William B. Thomas, FCPA, FCA**

Chief Executive Officer and Senior
Partner, KPMG LLP

Leonard Waverman

Dean, DeGroote School of Business,
McMaster University

Alfred G. Wirth

President and Chief Investment Officer,
HNW Management Inc.



Hugh L. MacKinnon
Chair,
C.D. Howe Institute

Message from the Chairman

Independent, non-partisan, evidence-driven intelligence defines the C.D. Howe Institute. Every research study undergoes the industry's most rigorous external review by academics and independent experts drawn from the public and private sector. This non-partisan position enables the Institute to work with policy leaders at every level and of every stripe. As a result, the Institute continues to have enormous impact on public policy discussions across Canada.

As Chair of the Board, I help oversee the Institute's governance on behalf of its primary stakeholders – the individuals, associations, corporations, postsecondary institutions and foundations that give so generously to support our policy work.

As this report indicates, the Institute made an impressive range of contributions to Canadian public discourse in 2014, holding a record 70 policy events and publishing 51 research studies.

On behalf of the Board, I would like to thank the Institute's President & CEO, Bill Robson, for his vigilant pursuit of evidence-driven policy options for Canadians and Duncan Munn, the Institute's Senior VP & COO, who continues to play an essential role in ensuring the Institute operates as efficiently and effectively as possible. Thanks are also due to the outstanding research team, scholars and staff of the Institute for another terrific year of achievement.

Sadly, the Institute lost two close friends in the past year. Joseph Rotman, who served on the Board from 1999 to 2012 and on the National Council from 2014 to 2015, was a passionate supporter of the Institute and believed firmly that non-partisan research was critical to Canada's success. Russell Harrison, Board member from 1981 to 1984, was also an important supporter of the Institute's mission. We will miss them both.

It is my pleasure to acknowledge Philip C. Deck, Gordon J. Fyfe, Gerald T. McCaughey, William Morneau and Tracy Redies who stepped down from the Board in 2014 and thank them for their invaluable service. We welcome Victor Dodig, who joined the Board in 2014.

Finally, we pay tribute to Institute's members and friends. Your commitment to building a better Canada makes the Institute's work possible. Every charitable dollar enables our scholars to respond decisively to the most pressing issues facing Canada. Thank you.

Message from the President & CEO

2014 was an exciting and successful year for the C.D. Howe Institute. Among the year's innovations was the launch of the Institute's National Council, a group of eminent Canadians tasked with advising the overall research program. A key theme in the National Council's discussions has been the centrality of human capital – the quality of people – in Canada's success, and the critical importance of developing and attracting it in the future.

What is true on a national level is true at the level of businesses, public institutions, and organizations such as the C.D. Howe Institute. So it seems especially apt for me to highlight the extraordinary caliber of the people who have helped the C.D. Howe Institute in its mission to provide Canadians with top-quality and influential public policy analysis.

I'll start with the National Council itself. Chaired by former Bank of Canada Governor David Dodge, the Council comprises business leaders such as Kathleen Taylor and Jeff Orr, top-flight academics such as Indira Samarasekera and Steve Ambler, and former public officials such as Leo de Bever and Gordon Thiessen.

2014 also saw the launch of the Institute's Energy and Policy Council – for that, we were able to draw on the talents of one of Canada's most outstanding corporate leaders, Elyse Allan, President and CEO, GE Canada, to chair the group. Former Superintendent of Financial Institutions Nicholas Le Pan became co-chair of the Financial Services Research Initiative, a multi-year program to report and advise on public policy affecting Canada's financial sector. Former federal Deputy Minister of Finance Michael Horgan became chair of the Institute's Fiscal and Tax Competitiveness Council.

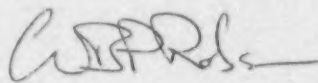
The Institute's events program likewise features outstanding Canadians. A 2014 highlight was Ed Clark, Chair, Ontario Premier's Advisory Council on Government Assets, presenting the Council's initial recommendations on improving returns from the province's alcoholic beverage and electricity assets. The Institute's Annual Calgary Dinner featured a panel including the Right Honourable Paul Martin discussing the engagement of First Nations in Canada's energy sector. Professor Kevin Milligan presented an ambitious blueprint for a reformed tax system that would both support greater economic growth and enhance tax fairness at the Institute's annual Benefactors Lecture.



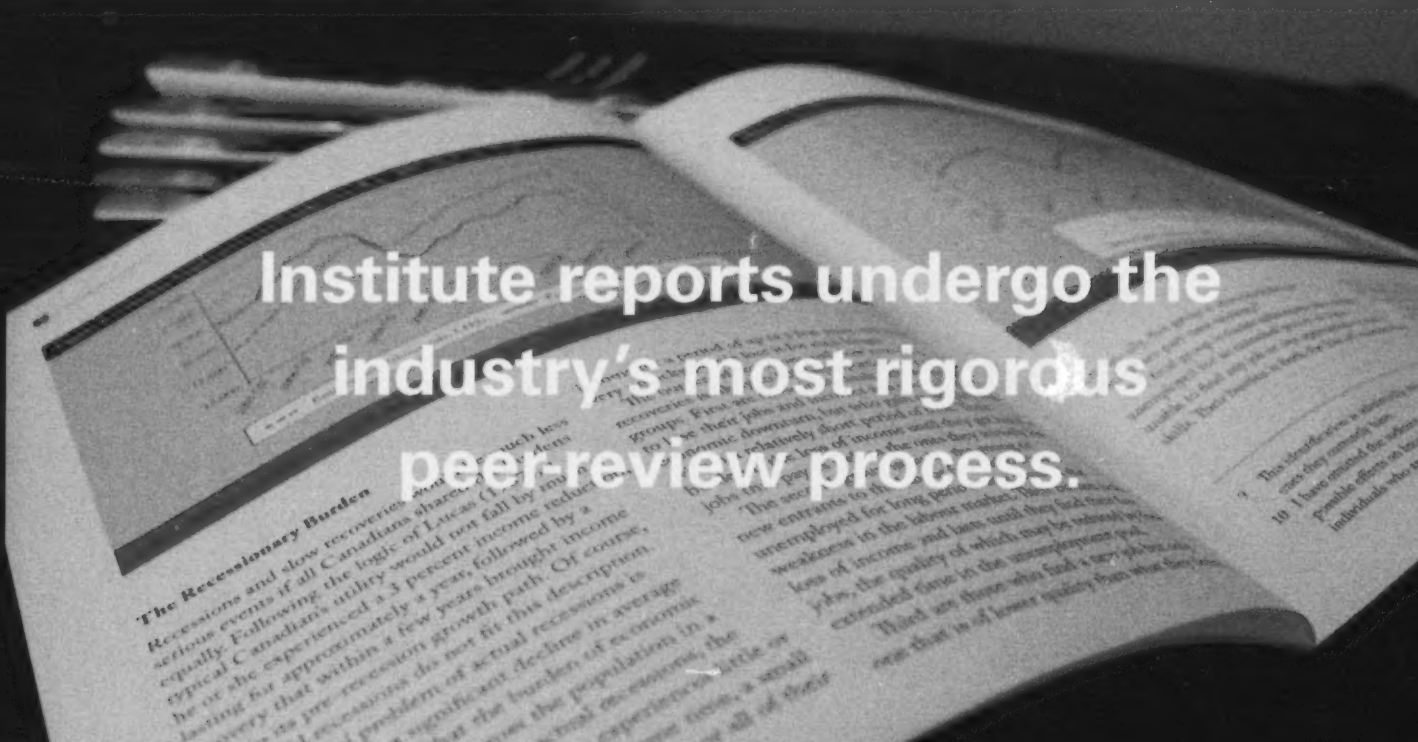
William B.P. Robson
President and
Chief Executive Officer

From Mayors John Tory and Naheed Nenshi, through former provincial finance minister Dwight Duncan and Ontario NDP Leader Andrea Horwath, to Federal Ministers Chris Alexander, Rona Ambrose, and Kevin Sorenson, leaders from every level of government and political persuasion engaged Institute members, and energized the Institute's research, with rich discussion.

Canada faced many challenges in 2014, and the C.D. Howe Institute is proud to have prefigured so many of the able policy responses that helped Canada meet those challenges in its work. I am proud to acknowledge the contributions to the accomplishments documented in this Annual Report by so many eminent members of the Institute's community. I salute my colleagues, the Institute's fellows, its Board members, and the many leaders in business, the public sector, academia and the professions who contribute to our work. To our members, subscribers and donors, I extend my sincere gratitude. Together, you are a group of outstanding Canadians supporting work that will foster Canada's long-term prosperity.



***"leaders from
every level of
government
and political
persuasion
engaged
Institute
members
in 2014"***



**Institute reports undergo the
industry's most rigorous
peer-review process.**

Message from the Senior Vice President & COO

Over the course of 2014, the Institute's research, events, and outreach enhanced its position as a trusted and independent source of smart ideas. Here is how the Institute performed in meeting its core operational goals in 2014:

Goal: Drive awareness of the Institute's unique national voice

Result:

- 2014 saw C.D. Howe publish over 50 research studies, generating a total of 187 citations in the *Globe and Mail* and *National Post*, as well as over 5,000 citations across Canadian media.
- We increased the Institute's average monthly media mentions in both Quebec and the western provinces, helping to solidify C.D. Howe as a trusted pan-Canadian source of public policy intelligence.
- C.D. Howe policy work and events, such as the Ottawa Executive Briefing, the Health Sustainability E-Brief series, and our fiscal accountability work reached into every province.
- The Institute expanded its presence on social media, growing its base of followers by over 70% percent from 2013. This has enhanced our ability to engage with policy leaders and stakeholders from across Canada. On this note, 2014 saw the launch of our French Twitter account, @InstitutCDHowe, in order to effectively engage French Canadian policy leaders.



Duncan Munn
Senior VP and
Chief Operating Officer

Stimulating Debate in 2014

413,305

Website Pageviews

5,069

Media Citations Across Canada

187

*Citations in Globe and Mail
and National Post*

Expert Testimony

157 Interviews

72 Op-Eds

39

Policy outreach presentations including consultations with the Federal and Ontario Ministers of Finance, as well as testimonies before Parliament.

Goal: Build on the Institute's position of thought leadership

Result:

- In 2014, the Institute launched its Energy and Resources Policy Council, appointing Elyse Allan, President and CEO of GE Canada, as its chair. This council will support and advise the Institute's research and events program pertaining to Canada's energy and resources sectors.
- The Institute launched its National Council, chaired by former Governor of the Bank of Canada, David Dodge. The Council's guidance will provide insights on emerging national, sectorial and regional policy challenges to support the quality and relevance of the Institute's research and related activities.

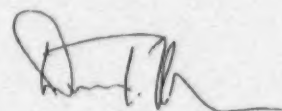
Goal: Continue to increase and diversify the Institute's event attendance, profile, and revenue

Result:

- We continued to build on our events program, hosting a record 70 policy events that covered numerous sectors, including banking, finance, energy, telecommunications, health, labour, education, and transportation, among others.

- C.D. Howe hosted events across Canada, increasing the Institute's ability to engage members and policy stakeholder from various regions in our unique off-the-record dialogue.
- Through our video conference series, our events were able to pull in audiences from across the country, helping to facilitate East-West dialogue on key policy matters.
- The first edition of our Entrepreneurs Debate Series was a success, having engaged emerging policy leaders on the challenges facing innovation in Canada.

The Institute could not have achieved these goals without our strong and loyal member support, the involvement of policy leaders and scholars from across the country, and the hard work and expertise of my colleagues. Thank you for helping us make a positive contribution to Canada's future through the development of essential public policies that are raising living standards for all Canadians.



The Institute's 2014 Research Mission

The Institute's research program aims at enhancing Canadians' understanding of a range of issues that are of vital importance to our existing and future prosperity. It does so by publishing nonpartisan, timely and accessible research and observations on those issues, and on the options that decision-makers have to address them.

The Institute's research publications always seek to provide the most authoritative assessments and practical recommendations on any topic they address. To that end, they undergo a rigorous review process. The Institute's editing and communications team are second to none, ensuring that the ideas flowing from the research are accessible to as wide an interested audience as possible.

The relevance of the Institute's research program to the issues faced by Canadians is anchored by a requirement that each publication must address at least one of the following overarching policy challenges: generating stronger economic growth and prosperity; ensuring fiscal and financial stability; maximizing opportunities for individual Canadians; and enhancing the effectiveness of our institutions, insofar as they must address the first three challenges.

The Institute's core research areas are Monetary Policy, Fiscal Policy, Pensions, Health Policy, Financial Services, Energy, Trade Policy, and Competition Policy. In addition, the Institute regularly publishes on education, immigration and other human capital and labour market issues, on infrastructure and public governance, and on the process of business investment and growth.

I am often asked about the choice of specific research topics covered in our publications. They stem primarily from the constant monitoring of economic and policy developments conducted by the Institute's staff and fellows in their areas of expertise. Additional support and guidance in our core areas are provided by advisory Policy Councils, comprised of practitioners, decision-makers and experts in these areas. A National Council was instituted in 2014 to provide overall strategic advice on emerging issues.

Many ideas, as well, emerge from discussions with Institute members and guests at Institute's top-notch conferences, roundtables, workshops and other events. These feature key decision-makers and influential experts addressing current Canadian challenges, and often entail vigorous and illuminating exchanges that help test the relevance of our research program.

Regardless of its source, each publication idea undergoes a thorough, Institute-wide examination for its compatibility with the Institute's objectives, in light of available resources.

An ongoing but energizing challenge for the research team is to position the portfolio of forthcoming research publications such that they provide a better grasp of the issues that are top-of-mind for decision-makers and Canadians in general, without shortchanging the need to develop our understanding of many



Daniel Schwanen
Vice President, Research

important underlying trends that are not necessarily making the headlines at any given time. Indeed, the Institute prides itself in having, in its work, foreshadowed, sometimes by many years, important policy needs, and assisted in providing options to address them.

The Institute's research program relies on the support of its members, on the ideas and contributions of the Institute's fellows, authors and discussants, and on the hundreds of members and guests that each year lend their considered thoughts and experience at Institute events. This is an apt place for the Institute's research team to express our continued gratitude towards them.

Daniel Schwanen



The Research Team:
from left,

Associate Director of Research,
Alexandre Laurin;

Researcher,
Aaron Jacobs;

Vice President, Research
Daniel Schwanen;

Vice President, Policy Analysis,
Finn Poschmann;

Senior Policy Analyst,
Colin Busby.

Absent

Senior Policy Analyst, **Benjamin Dachis;**

Senior Coordinator, Research and Executive Assistant to the Vice President, Research, **Kristine Gray.**

The Institute's Commitment to Quality

At the C.D. Howe Institute we are extremely proud of our organization's commitment to quality assurance in our research and publication processes.

Institute publications undergo rigorous external review by academics and independent experts drawn from the public and private sectors. And we are very grateful to those reviewers, some of whom are listed in the following pages.

Our reviews are conducted on a double-blind or anonymous basis, to ensure objectivity. We work continually to improve the review process so that it is the best in class, and test it against mechanisms used in the academic community. Our peer review process, for which I am responsible, ensures the quality and integrity of the policy research, and we will not publish any study that, in our view, fails to meet the standards of that review process.

We require that authors publicly disclose any actual or potential conflicts of interest of which they are aware.

As a registered Canadian charity, the C.D. Howe Institute as a matter of course accepts donations from individuals, private and public organizations, charitable foundations and others, by way of general and program or project support. The Institute will not accept any donation that stipulates a predetermined result or policy stance, or otherwise inhibits its independence, or that of its staff and authors, in pursuing scholarly activities or disseminating research results.

In its mission to educate and foster debate on essential public policy issues, the C.D. Howe Institute provides nonpartisan policy advice to interested parties on a non-exclusive basis. The Institute will not endorse any political party, elected official, candidate for elected office, or interest group.

We believe this effort is fundamental to our reputation for rigor, for research quality, and is the essence of true independence and nonpartisanship.

Most important, however, is the quality of our reviewers and referees. Their effort, their intelligence, and their commitment to sound public policy lie at the heart of our review process, and I am profoundly grateful to every one of them listed here, as well as to our anonymous referees.



Finn Poschmann
Vice President, Policy Analysis

A handwritten signature in dark ink that reads "Finn Poschmann". The signature is fluid and cursive, with the first name "Finn" and last name "Poschmann" clearly distinguishable.



The Institute's 2014 Reviewers

C.D. Howe Institute publications undergo rigorous external review by academics and independent experts drawn from the public and private sectors. We thank the following reviewers for their support in 2014:

Craig R. Alexander
TD Bank Group

Keith P. Ambachtsheer
University of Toronto

Barry Anderson

Albert Baker
Deloitte

Noel Baldwin
Council of Ministers of
Education, Canada

John Baldwin
Statistics Canada

Bob Baldwin

Randy Bauslaugh
McCarthy Tétrault LLP

Jeff Bear
Registered Insurance
Brokers of Ontario

Tim Beauchamp
CPA Canada

Paul Beaudry
University of British Columbia

Marlys Bilanski
City of Saskatoon

Richard M. Bird
University of Toronto

Michael Bliss
University of Toronto

Bruce Boland
Ontario Power
Generation Inc.

Janet Bolton
Osler, Hoskin & Harcourt LLP

Stephen Bonnar

Gerard W. Boychuk
University of Waterloo

Timothy Brennan
University of Maryland
Baltimore County

Nigel Burns
Province of Prince
Edward Island

Pat Campbell

Jan Carr
Alberta Electric
System Operator

Harry Chandler
Market Surveillance
Administrator

Sylvie Charest

Georges Chartier
City of Winnipeg

Duanjie Chen
University of Calgary

Dan Ciuriak

R. J. Clapp
Regional Municipality
of Durham

Scott Clark

Tom Closson
Tom Closson Consulting

Denise Cloutier
Pfizer Canada Inc.

Patrick J. Coe
Carleton University

Andre Corbould
Alberta Municipal Affairs

Daniel Cowin

John F. Crean
University of Toronto

John Crow
Tony Culyer
University of Toronto

Bev Dahlby
The University of Calgary

Malkin Dare
Dare Foods Ltd.

Janet Davidson
Alberta Health

Leo de Bever

Armand de Mestral
McGill University

Fiona Deller
Higher Education Quality
Council of Ontario

Patrick Deutscher
Queen's University

Donald Dewees
University of Toronto

Livio Di Matteo
Lakehead University

W. E. Diewert
University of British Columbia

Brian Dijkema
Cardus

Brent Diverty
Canadian Institute for
Health Information

David Dodge
Bennett Jones LLP

Christopher Donnelly
Manulife

Torben Drewes
Trent University

Don Drummond
Queen's University

Stephen Duckett
University of Alberta

Jean-Yves Duclos
Laval University

Pierre Duguay

Serge Dupéré
Ministère de l'Éducation, du
Loisir et du Sport

Herbert Emery
The University of Calgary

Azim Essaji
Wilfrid Laurier University

Brian Facey
Blake Cassels & Graydon LLP

Adam F. Fanaki
Davies Ward Phillips
& Vineberg LLP

Bruce Fisher
Nova Scotia Treasury
& Policy Board

Sean Flanigan
Association of University
Technology Managers

Stephen Frank
Canadian Life and Health
Insurance Association Inc.

Jane Gaskell
Ontario Institute for Studies
in Education

Giles Gherson
Ministry of Economic
Development Employment
& Infrastructure

Blake C. Goldring
AGF Management Limited

AJ Goulding
London Economics
International LLC

Rob Graham
Derwyn Investments

Gilles Grenier
University of Ottawa

Michel Grignon
McMaster University

Barry Gros

Morley Gunderson
University of Toronto

Elliot Halparin
Halton Hills Family
Health Team

Malcolm P. Hamilton

Luke Harford

Brewers Association
of Canada

Michael Hart

Norman Paterson School
of International Affairs

Lawrence L. Herman

Herman & Associates

Ted Hewitt

Social Sciences and
Humanities Research
Council (SSHRC)

Chantal Hicks

Statistics Canada

Seamus Hogan

University of Canterbury

Keith Horner

Keith Horner Consulting

Peter Howitt

Brown University

Roy Hrab

Ontario Energy Board

Jeremiah E. Hurley

McMaster University

Edward Iacobucci

University of Toronto

Patrice Impey

City of Vancouver

Scott Inwood

University of Waterloo

Callum James

CE Network Inc.

David R. Johnson

Wilfrid Laurier University

Sean Keenan

Department of Finance
Canada

Bruce Kennedy

Teachers' Pension Board
of Trustees

J. Rhys Kesselman

Simon Fraser University

Chris Kinkaid

BC Hospital Employees Union

Harry M. Kitchen

Trent University

Thorsten Koeppl

Queen's University

Tina Kremmidas

Canadian Chamber
of Commerce

Matthew Kronby

Bennett Jones LLP

David Laidler

C.D. Howe Institute

Claude Lamoureux

Jason Langrish

Canada Europe Roundtable
for Business

Clarke Laprairie

Government of Yukon

Jean-François LaRue

Forest Products Association
of Canada

Leslie Levin

Health Quality Ontario

Steven Lewis

Access Consulting Ltd.

Les Linklater

Department of Citizenship
and Immigration Canada

Steve Long

Shoppers Drug Mart Inc.

André Loranger

Statistics Canada

James MacGee

The University of Western
Ontario

Norman Magnin

Government of
Saskatchewan

Susan Margles

Canada Post Corporation

Denis Martel

Industry Canada

Gordon Martell

Greater Saskatoon
Catholic Schools

Chris Martin

Ontario Undergraduate
Student Alliance

George McAllister

Department of Finance
Province of New Brunswick

Brent McCurdy

Alcohol and Gaming
Commission of Ontario

Angelo Melino

University of Toronto

Rod Monette

CPA Canada

Richard Mueller

University of Lethbridge

Blair Nixon

Wally Norman

Government of
Newfoundland and Labrador

John O'Grady

John O'Grady Consulting Ltd.

Hugh O'Reilly

OPTrust

Ratna Omidvar

The Maytree Foundation

Camille Orridge

Toronto Central Local Health
Integration Network

Stephen Orsini

Ontario Cabinet Office

Paul Owens

Alberta Treasury Board
and Finance



Guests at the Directors' Dinner

Nick Pantaleo
Rogers Communications Inc.

Les Payne
Canadian Tooling &
Machining Association

James Pierlot
Pierlot Pension Law

Brian Postl
University of Manitoba

John Richards
Simon Fraser University

Brian Rivard
Independent Electricity
System Operator (IESO)

Lawrence Schembri
Bank of Canada

Tammy Schirle
Wilfrid Laurier University

Jon J. Scott

Jack Selody
Promontory Financial
Group Canada

Andrew Sharpe
Centre for the Study of
Living Standards

Avery Shenfeld
Canadian Imperial Bank
of Commerce

Enid Slack
The Munk School of Global
Affairs, University of Toronto

Constance Smith
University of Alberta

Gail Smyth
Skills Canada Ontario

Arun Srinivas
Ministry of Finance

James Stanford
Canadian Auto Workers
Union

Larry Steeves
University of Regina

David Stewart-Patterson
The Conference Board
of Canada

Jason Sutherland
University of British Columbia

Arthur Sweetman
McMaster University

Benjamin Tal
CIBC World Markets

Almos Tassonyi
University of Toronto

Michael J. Trebilcock
University of Toronto

J. A. VanDuzer
University of Ottawa

Michael Veall
McMaster University

Fred Vettese
Morneau Shepell

Konrad von Finckenstein

Edward J. Waitzer
Stikeman Elliott LLP

David M.C. Walker
Queen's University

Daniel Watson
Treasury Board of
Canada Secretariat

Sarah Watts-Rynard
Canadian Apprenticeship
Forum

David Welsh

Thomas A. Wilson
University of Toronto

Durhane Wong-Rieger
Institute for Optimizing
Health Outcomes

Christopher Worswick
Carleton University

Tom Wright
Real Estate Council of Ontario

Michael Wyman

Barbara Zvan
Ontario Teachers' Pension
Plan



The Annual Calgary Dinner

Ensuring Fiscal and Financial Stability

Over the years, the Institute's work has highlighted the advantages of sound and stable macro-economic policies and financial regulation as essential foundations for the Canadian economy to generate prosperity.

The Institute's flagship publication on federal fiscal policy is the annual "Shadow Budget", which distills and augments the many ideas generated at the Institute that have a bearing on the conduct of federal fiscal policy. The theme of the Institute's 2014 shadow budget, "Equipping Canadians for Success," reflected the Institute's preoccupation with pro-growth investments and reforms, while continuing, as in previous years, to warn of the negative impact of rising existing and future costs, in particular personnel and pensions costs, on the ability of the federal government to maintain a prudent fiscal stance.

At the same time, other Institute reports made clear that the main threats to the fiscal sustainability of Canadian governments lie in cost and spending challenges at the provincial level. To better understand the challenges at that level, and provide options for dealing with them, Institute's publications studied the emergence of target-benefit pension plans in the public sector, as well as the powerful impact of demographic change on healthcare costs and tax bases on the finances of individual Canadian provinces, and ways to mitigate it.

In that vein, the Institute has paid particular attention to the looming rise in costs of long-term care for the baby-boomer generation, and how to cover those costs, without burdening future generations of taxpayers. Similarly, examining public drug plans across Canadian jurisdictions, the Institute's research has looked at the trade-off between plans based on age and those based on income, from the point of view of the sustainability of these programs and their ability to address the needs of the most vulnerable.

In these challenging times for macro-economic policy globally, the Institute has continued to keep a close watch on monetary policy through the eight yearly meetings and statements of its Monetary Policy Shadow Council, and published forward-looking studies on the conduct of Canadian monetary policy in the event of turmoil in the Eurozone, and how a potentially alternative monetary policy regime targeting the price level – instead of the inflation rate – might work to maintain economic stability in the event of shocks. On the prudential front, the Institute also published a think-piece, based on original historical research, illustrating the impact that different concepts of shareholder liabilities have on the effectiveness of the prudential framework for banking.

2014 Publications Fiscal and Tax Policy

Tax Policy for a New Era: Promoting Economic Growth and Fairness
November 26, 2014 – Kevin Milligan

Who Loses Most? The Impact of Taxes and Transfers on Retirement Incomes
November 13, 2014 – Finn Poschmann and Alexandre Laurin

The 2014 C.D. Howe Institute Business Tax Burden Ranking
Toronto, October 29, 2014 – Adam Found, Benjamin Dachis and Peter Tomlinson

What Now? Addressing the Burden of Canada's Slow-Growth Recovery
July 30, 2014 – Christopher Ragan

User Discretion Advised: Fiscal Consolidation and the Recovery
July 23, 2014 – William Scarth

Outliving Our Savings: Registered Retirement Income Funds Rules Need a Big Update
June 4, 2014 – Alexandre Laurin and William B.P. Robson

Ottawa's Hidden Deficit: The Widening Gap between Federal Government Pension Liabilities and Assets
April 9, 2014 – William B.P. Robson and Alexandre Laurin

Evaluating Public-Sector Pensions: Are Federal Public Servants Overpaid?
April 2, 2014 – Malcolm Hamilton

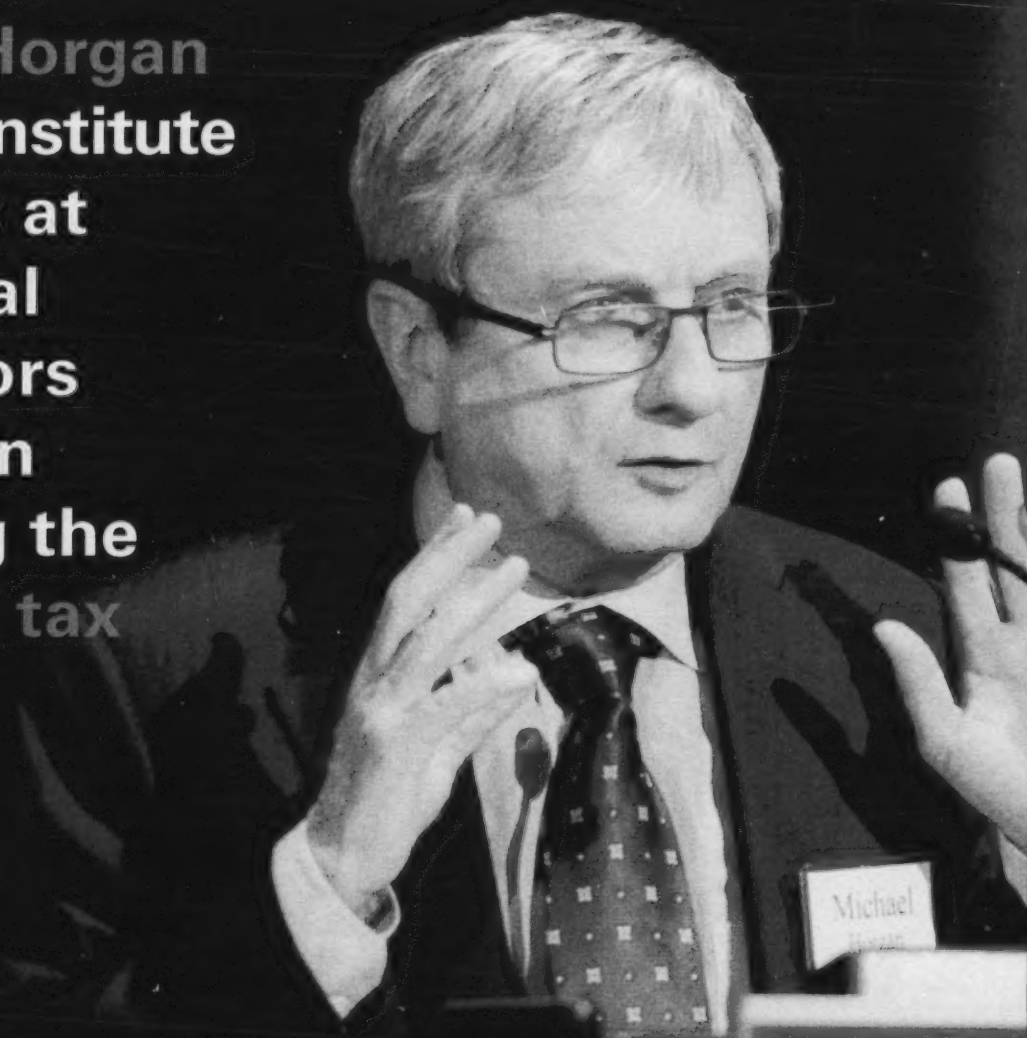
Credibility on the (Bottom) Line: The Fiscal Accountability of Canada's Senior Governments, 2013
March 24, 2014 – William B.P. Robson and Colin Busby

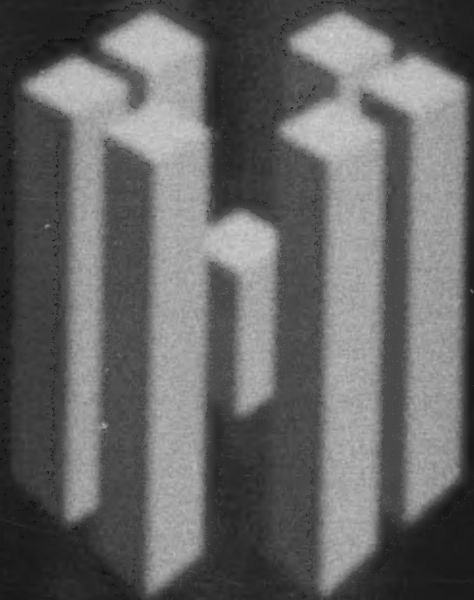
Evaluating Public-Sector Pensions: How Much Do They Really Cost?
March 19, 2014 – Malcolm Hamilton

Equipping Canadians for Success: A Shadow Budget for 2014
January 29, 2014 – Alexandre Laurin and William B.P. Robson

Baffling Budgets: The Need for Clearer and More Comprehensive Financial Reporting by Canada's Municipalities
January 15, 2014 – Benjamin Dachis and William B.P. Robson

**Canada's former
Deputy Minister
of Finance
Michael Horgan
engages Institute
members at
the annual
Benefactors
Lecture on
reforming the
Canadian tax
system.**





INSTITUT
C.D. HOWE
INSTITUTE



*Intelligence
des politiques*

2014 Annual Report / C.D. Howe Institute

C.D. HOWE INSTITUTE

Intelligence des politiques

Fiscal and Tax Competitiveness Council in 2014

CHAIR

Michael Horgan

Former Deputy Minister of Finance, Canada

MEMBERS

Albert Baker, FCPA, FCA
Deloitte LLP

Richard M. Bird
University of Toronto

Ben Brunnen
Canadian Association of
Petroleum Producers

Marlene Cepparo
National Tax, KPMG LLP

Fiona Cook
Chemistry Industry
Association of Canada

Nancy Cuelenaere
Alberta Finance
and Enterprise

Bev Dahlby
University of Alberta

Ross Hagemeister
Cargill Limited

Gabriel J. Hayos, FCPA, FCA
Chartered Professional
Accountants Canada

Brenda Kenny
Canadian Energy Pipeline
Association

Jonathan Rhys Kesselman
Simon Fraser University

George McAllister
Province of New Brunswick

William Molson

Al Monaco
Enbridge Inc.

Lynn Moen
Walton Global Investments Ltd.

Luc Monty
Québec Ministère des
Finances

Angelo Nikolakakis
Cousin Taylor LLP / Ernst &
Young L.P.

Michael J. O'Connor
Sun Life Financial Inc.

Nick Pantaleo, FCPA, FCA
Rogers Communications Inc.

Jocelin Paradis
Rio Tinto Alcan

TBA
Building Owners and
Managers Association of
Canada

Noeline Simon
Canadian Life and Health
Insurance Association Inc.

Michael Smart
University of Toronto

Barbara Sulzenko-Laurie
Insurance Bureau of Canada

Ted Tomkowiak
Taxation, RBC

Thomas A. Wilson
University of Toronto

Department of Finance Canada
(Observer Status)



Calgary Roundtable

2014 Publications Monetary Policy and Financial Services

Good Governance of Monetary Policy in Canada: Lessons from the C.D. Howe Institute's Shadow Council
October 30, 2014 – Pierre Siklos and Matthias Neuenkirch

Money Still Matters: How the Bank of Canada Might Better Monitor Inflation
August 13, 2014 – Mati Dubrovinsky

What Now? Addressing the Burden of Canada's Slow-Growth Recovery
July 30, 2014 – Christopher Ragan

The Ill Wind that Blows from Europe: Implications for Canada's Economy
March 5, 2014 – Pierre Siklos

Price-Level Targeting: A Post-Mortem?
February 5, 2014 – Steve Ambler

2014 Publications Trade and International Policy

The Canada-Korea Free Trade Agreement: What it Means for Canada
January 15, 2015 – Dan Ciuriak, Jingliang Xiao and Ali Dadkhah

The Impact of Diplomatic Representation Abroad on Canada's Exports
April 16, 2014 – Dan Ciuriak

Registering in Harmony: The Case for Pan-Canadian Corporate Registration
February 25, 2014 – Daniel Schwanen and Omar Chatur

Tradable Services: Canada's Overlooked Success Story
January 9, 2014 – Daniel Schwanen



NDP Leader Andrea Horwath

Pierre-Pascal Gendron
and Kevin Milligan



Monetary Policy Council in 2014

CHAIR

William B.P. Robson
President & CEO, C.D. Howe Institute

MEMBERS

Craig Alexander
TD Bank Group

Steve Ambler
Université du Québec

Paul Beaudry
University of British Columbia

Edward A. Carmichael
Ted Carmichael Global
Macro

Thorsten Koeppl
Queen's University

Stéphane Marion
National Bank Financial

Angelo Melino
University of Toronto

Doug Porter
BMO Capital Markets

Nicholas Rowe
Carleton University

Avery Shenfeld
CIBC

Pierre Siklos
Wilfrid Laurier University

Craig Wright
RBC

Financial Services Research Initiative in 2014

CO-CHAIRS

Nicholas Le Pan
Former Superintendent of Financial Institutions

Edward Neufeld
Former Assistant Deputy Minister of Finance, Canada

MEMBERS

Frank Allen
Ontario Ministry of Finance

James C. Baillie
Torys LLP

Peter Bethienfalvy
CST Consultants Inc.

Gérald Cossette
Financial Transactions and
Reports Analysis Centre of
Canada

Andrew D. Brands
The Great-West Life
Assurance Company

Glenn Campbell
Department of Finance
Canada

Terry Campbell
Canadian Bankers Association

Bryan Davies
Canada Deposit Insurance
Corporation

James C. Davis
Ontario Teachers' Pension
Plan

Chris Donnelly
Manulife

Peter Drake
Fidelity Investments

Janet Ecker
Toronto Financial Services
Alliance

Walter Engert
Office of the Superintendent
of Financial Institutions
Canada

Charles Freedman
Carleton University

Blake C. Goldring
AGF Management Limited

Peter Hall
Export Development Canada

Gail Harding
Canadian Western Bank

David Whyte
Sun Life Financial Inc.

Warren J. Jestin
Scotiabank

Sheryl Kennedy
Promontory Financial Group
Canada

Brenda Leong
British Columbia Securities
Commission

David Longworth
Carleton University

Winsor MacDonell
Genworth Financial Canada

David McGown
Canadian Imperial Bank of
Commerce

Howie Millard
TD Bank Financial Group

Suzanne Morel
MasterCard

Marc-André Pigeon
Credit Union Central of
Canada

Greg Pollock
Advocis

Pierre Siklos
Wilfrid Laurier University

Mark Smith
KPMG

Paul G. Smith
NATO Council of Canada

Frank Swedlove
Canadian Life and Health
Insurance Association Inc.

Murray J. Taylor
IGM Financial Inc.

Eric Tuer
Bank of Canada

Craig Wright
RBC Financial Group

Kevin Wright
Canada Mortgage and
Housing Corporation

TBD
Zurich Canadian Holdings Ltd.

TBD
Equity Financial Holdings

TBD
Investment Industry
Regulatory Organization of
Canada

International Economic Policy Council in 2014

CHAIR

The Hon. Michael Wilson,
Chair, Barclays Capital Canada; former Minister of Finance, Canada

MEMBERS

Catherine Cobden
Forest Products Association
of Canada

John Curtis
Queen's University

Laura Dawson
Dawson Strategic

Gitane De Silva
Alberta International and
Intergovernmental Relations

Wendy Dobson
Rotman School of
Management

Rick Ekstein
Weston Forest Products Inc.

Janice Fukakusa
Royal Bank of Canada

Allan Gotlieb
Aurea Foundation

Peter Hall
Export Development Canada

Michael Hart
Norman Paterson School of
International Affairs

Lawrence Herman
Cassels Brock LLP

Ross Hornby
GE Canada

Caroline Hughes
Ford Motor Company of
Canada

Warren Jestin
Scotiabank

Jim Keon
Canadian Generic
Pharmaceutical Association

Hugh L. MacKinnon
Bennett Jones LLP

Claude Mongeau
CN

Pierre Pyun
Bombardier

Victor Severino
Ontario Ministry of Economic
Development and Innovation

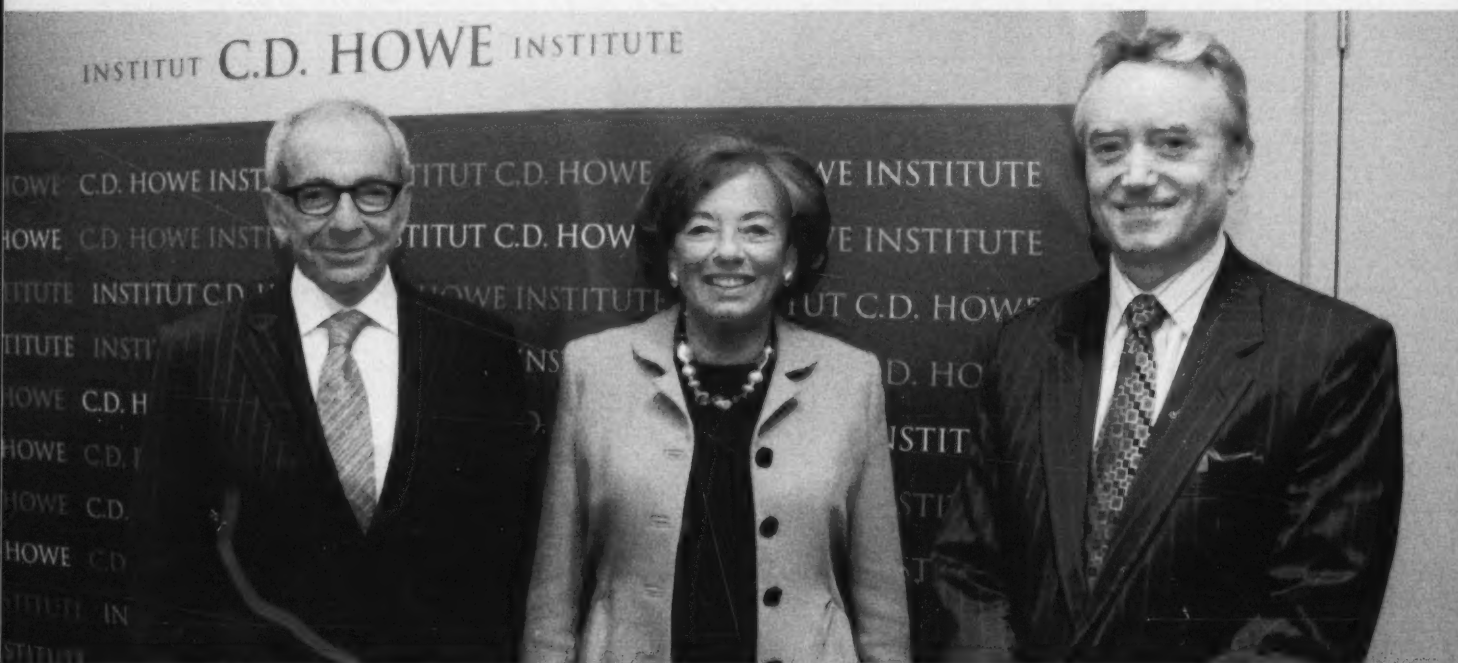
TBD
Certified General Accountants
of Ontario

TBD
Manulife Financial

Daniel Trofner
University of Toronto

Ted Wigdor
Certified General Accountants
of Ontario

INSTITUT C.D. HOWE INSTITUTE



David Marshall, Elizabeth Witmer and William B.P. Robson

Generating Stronger Economic Growth and Prosperity

Much of the Institute's research focuses on fostering a dynamic economy that will raise Canadians' living standards over time. This research addresses such topics as the impact of our macroeconomic, fiscal policies and financial systems on economic growth, explores ways to encourage beneficial investments in education and skills, business capital and infrastructure, assesses obstacles to trade and competition and options for their removal, and seeks to understand the processes of innovation and productivity growth in Canada.

In this vein, the Institute updated in 2014 its pioneering work on provincial and local business tax burdens, improving understanding of taxes on business investment across a number of Canadian jurisdictions. Also on the tax policy front, the Institute's 2014 Benefactors Lecture, entitled "Tax Policy for a New Era," provided a bold yet practical view of how Canada's tax system could better promote investment and entrepreneurship, by taxing income generated from savings less, while addressing income inequality concerns by making taxes on work income somewhat more progressive.

The Institute's work also elucidated how more sensible regulation and rules of competition could improve performance in many industries, and relieve consumers and other users of the burden of higher than necessary prices and costs. Whether examining competition in telecommunications or the pricing of cable services, the gap between Canadian and US prices for every day consumer goods, ways to alleviate the high cost of electricity or unlock the economic value in air travel, and last but not least uncorking the strange brew of wine and beer policies in Ontario, the Institute's research enriched our understanding of potential improvements in important sector-specific practices and regulations.

The Institute's annual "Tools for Workers" report and related reports on public and private capital investments in Canadian provinces pointed to the need for more private capital investments to sustain Canada's economic growth and international competitiveness. Another Institute report showed that cash holdings by Canadian businesses, while historically high, were not a problem, but simply the result of normal and prudent behaviour by firms.

On innovation, the Institute continued to examine ways in which a speedier and more efficient payments system might better serve Canadians. Institute research also highlighted important but little-discussed facts of Canada's structural economic shifts over the past decade, namely the rising importance and strong employment performance of internationally-tradable service sectors, and the strength of innovation occurring in resource-based industries. These studies provided a fresh understanding of our economic structure and potential sources of future economic growth.

2014 Publications Economic Growth & Innovation

A Speedier and More Efficient Payments System for Canada
November 20, 2014 – Mati Dubrovinsky

Who Watches the Watchmen? The Role of the Self-Regulator
October 8, 2014 – Robert Mysicka

It's Alive! Corporate Cash and Business Investment
August 27, 2014 – Finn Poschmann

What Now? Addressing the Burden of Canada's Slow-Growth Recovery
July 30, 2014 – Christopher Ragan

Capital Needed: Canada Needs More Robust Business Investment
July 17, 2014 – Benjamin Dachis, William B.P. Robson, Nicholas Chesterley

The Public Purse versus Private Wallets: Comparing Provincial Approaches to Investing in Economic Growth
June 25, 2014 – Philip Cross

Sticker Shock: The Causes of the Canada-US Price Differential
May 6, 2014 – Nicholas Li

Registering in Harmony: The Case for Pan-Canadian Corporate Registration
February 25, 2014 – Daniel Schwanen and Omar Chatur

Shareholder Liability: A New (Old) Way of Thinking about Financial Regulation
February 19, 2014 – Finn Poschmann

Equipping Canadians for Success: A Shadow Budget for 2014
January 29, 2014 – Alexandre Laurin and William B.P. Robson

Full Throttle: Reforming Canada's Aviation Policy
January 22, 2014 – Benjamin Dachis

Competition Policy Council in 2014

CHAIR

Finn Poschmann

Vice President, Policy Analysis, C.D. Howe Institute

MEMBERS

George N. Addy

Davies Ward Phillips &
Vineberg LLP

Marcel Boyer

CIRANO, Université de
Montréal

Timothy Brennan

University of Maryland
Baltimore County

Neil Campbell

McMillan Binch LLP

Jeffrey R. Church

The University of Calgary

Brian Facey

Blake Cassels & Graydon LLP

Adam F. Fanaki

Davies Ward Phillips &
Vineberg LLP

Peter Glossop

Osler, Hoskin & Harcourt LLP

Calvin S. Goldman

Goodmans LLP

Jay Holsten

Torys LLP

Lawson A. Hunter

Stikeman Elliott LLP

Edward Iacobucci

University of Toronto

Margaret F. Sanderson

Charles River Associates

Konrad von Finckenstein

JAMS

Roger Ware

Queen's University

Lawrence J. White

New York University

Business Cycle Council in 2014

INTERIM CHAIR

Finn Poschmann

Vice President, Policy Analysis, C.D. Howe Institute

MEMBERS

Craig Alexander

TD Bank Group

Steve Ambler

Université du Québec à
Montréal

Paul Beaudry

University of British
Columbia

Philip Cross

C.D. Howe Institute

Stephen Gordon

Laval University

Eric Lascelles

RBC Global Asset
Management Inc.

Stéfane Marion

National Bank Financial

Angelo Melino

University of Toronto

Douglas Porter

BMO Capital Markets

Angela Redish

University of British
Columbia

Energy and Resources Policy Council in 2014

CHAIR

Elyse Allan

President and CEO, GE Canada

MEMBERS

Rick Anderson

i2 Ideas & Issues Advertising
Inc.

Cindy Blancher-Smith

Ontario Ministry of Northern
Development and Mines

Neil Bouwer

Natural Resources Canada
(Observer Status)

Bruce Campbell

IESO

Patrick Cronin

BMO Capital Markets

Joseph Doucet

Alberta School of Business

Jim Ellis

Alberta Energy Regulator

Alexander Fritsche

Bank of Canada

TBA

Husky Energy

Daniel Gagnier

International Institute for
Sustainable Development

Goldy Hyder

Hill and Knowlton

Rich Kruger

Imperial Oil

Richard Lógault

Brookfield Renewable
Power Inc.

Jeff Lehrmann

Chevron Canada

Hugh MacKinnon

Bennett Jones LLP

Tim McMillan

Canadian Association of
Petroleum Producers

Thierry Vandal

Hydro-Québec



Ron Sanderson, Noeline Simon and Nicole Gileadi

Maximizing Opportunities for Canadians

The Institute's work reflects the idea that better economic opportunities for the country should also translate into better opportunities for individual Canadians to pursue their ambitions, achieve economic security, and contribute to overall prosperity. Identifying impediments to those goals and asking how Canadians might remove or work around them is central to the research program.

Institute publications that covered these issues in 2014 provided insights on subjects as diverse – yet as important to the lives of Canadians – as the reasons for the shortage of family doctors in Québec, the factors behind the performance of Canadian students in international tests, the educational outcomes of Aboriginal students, and the labour market implications of the current slower-than-normal economic recovery.

The Institute also examined Canada's temporary foreign workers program, providing an authoritative assessment of the impact of this program aimed at filling temporary labour shortages, in the midst of heated controversy over its effect, and suggesting how to mitigate any negative effect on labour market prospects for Canadians. The Institute also continued its long-standing work on immigration policy, highlighting the relative success of immigrants coming to Canada at a young age.

The Institute's work has also highlighted the need to better understand the impact of the tax system, as well as the interaction between public plans and private retirement savings, in designing retirement income policy. Notably, the Institute reported very high marginal tax rates faced by lower-income seniors wishing to improve their retirement by supplementing public plans with private savings. Institute research also explained how current tax rules applying to retirement savings risk forcing Canadians into the undesirable situation where they might be outliving their retirement savings. While pointing out that higher limits for Registered Retirement Savings Plans were an often overlooked option to address concerns over the inadequacy of retirement savings by Canadians, the Institute's work also delved into ways that supplementary public pensions could fill any gaps in retirement savings left by current public and private plans.



Myles Corak



THE INSTITUTE'S 2014 RESEARCH

Surgit Rajpal

2014 Publications Social Policy

Managing the Cost of Healthcare for an Aging Population: 2014 Provincial Perspectives

December 2014 – William Robson, Colin Busby, & Aaron Jacobs

Target Benefit Plans: Improving Access for Federally Regulated Employees

October 15, 2014 – Randy Bauslaugh

Paying for the Boomers: Long-Term Care and Intergenerational Equity

September 17, 2014 – Åke Blomqvist and Colin Busby

The Overlooked Option for Boosting Retirement Savings: Higher Limits for RRSPs

September 11, 2014 – Alexandre Laurin

Target-Benefit Plans in Canada – An Innovation Worth Exploring

July 9, 2014 – Angela Mazerolle, Jana Steele, Mel Bartlett

What Policies Work? Addressing the Concerns Raised by Canada's PISA Results

June 18, 2014 – John Richards

Warning Signs for Canadian Educators: The Bad News in Canada's PISA Results

June 11, 2014 – John Richards

The Case of the Vanishing Quebec Physicians: How to Improve Access to Care

May 27, 2014 – Claude E. Forget

Don't Forget the Kids: How Immigrant Policy Can Help Immigrants' Children

May 14, 2014 – Colin Busby and Miles Corak

Are We Making Progress? New Evidence on Aboriginal Education Outcomes in Provincial and Reserve Schools

April 30, 2014 – John Richards

Temporary Foreign Workers in Canada: Are They Really Filling Labour Shortages?

April 24, 2014 – Dominique M. Gross

Helping Ontarians Save for Retirement: How the Province Could Adapt the Canada Supplementary Pension Plan

March 11, 2014 – Keith Ambachtsheer



Wendy Dobson

Enhancing the Effectiveness of our Institutions

A fourth major theme of the Institute's research concerns the effectiveness of institutions that Canadians rely upon for making important economic decisions or advance economic policy objectives. The Institute has been particularly focused, in this respect, on budgetary transparency and accountability.

The research highlighted the hidden risk taxpayers have taken on in backstopping federal public pensions whose true economic value exceeds what is currently on the books, and pointed to the high returns implicit in these guaranteed pensions, compared to the opportunities available to other Canadians. One paper extended this analysis to the overall Canadian public sector, noting that employees in this sector are able to shelter more of their savings from taxes than other Canadians can, and that the way their pensions are accounted for suggests they are being compensated more than is currently acknowledged. This research naturally raised questions about the standards of accounting and reporting for public sector employee compensation.

This strand of research also unveiled some discrepancy between the progress governments plan on achieving towards bringing health care cost increases towards a sustainable level, and actual progress on that front. The question of accountability and transparency here reside in the fact that ongoing attempts at containing costs are then based on the new, higher-than-planned level which the public is often dimly aware of, rather than assessed against past announcements.

The Institute also built on earlier years' unique research into municipal finances, showing that major Canadian municipalities make it difficult to compare financial reports of actual spending and revenues with amounts that have been budgeted, creating serious transparency and accountability issues. The work once again identified the lack of accrual accounting for capital projects as a serious shortcoming, with negative consequences for the quality of decisions made around public investments at the municipal level, and for the achievement of cities' budget targets.

In addition, the Institute trained its research lens on institutions that underpin trade and commerce, by examining how the public interest in a transparent and dynamic marketplace can best be protected in the case of self-regulated professions and occupations, shedding an empirical light on the importance of diplomacy for fostering Canada's international trade, and providing a detailed examination of the issues around the balkanisation of corporate registration systems across Canada, as well as a fresh set of practical options for addressing it.

2014 Publications Governance & Public Institutions

Rethinking Ontario's Electricity System with Consumers in Mind

September 4, 2014 – Michael Wyman

Evaluating Public-Sector Pensions: Are Federal Public Servants Overpaid?

April 2, 2014 – Malcolm Hamilton

Evaluating Public-Sector Pensions: How Much Do They Really Cost?

March 19, 2014 – Malcolm Hamilton

Registering in Harmony: The Case for Pan-Canadian Corporate Registration

February 25, 2014 – Daniel Schwanen and Omar Chatur

Shareholder Liability: A New (Old) Way of Thinking about Financial Regulation

February 19, 2014 – Finn Poschmann

Full Throttle: Reforming Canada's Aviation Policy

January 22, 2014 – Benjamin Dachis

Baffling Budgets: The Need for Clearer and More Comprehensive Financial Reporting by Canada's Municipalities

January 15, 2014 – Benjamin Dachis and William B.P. Robson

Pension Policy Council in 2014

CHAIR

Claude Lamoureux,
Former President & CEO, Ontario Teachers' Pension Plan

MEMBERS

Keith Ambachtsheer
Rotman School of
Management

Bob Baldwin

Randy Bauslaugh
McCarthy Tetrault

René Beaudry
Normandin Beaudry

Steve Bonnar

Peter Drake
Fidelity Investments

Brian FitzGerald
Capital G Consulting Inc.

Paul Forestell
Mercer

Barry Gros

Malcolm Hamilton

Bryan Hocking
Association of Canadian
Pension Management

Bruce Kennedy
B.C. Pension Corporation

Kashif Malik
JPMorgan

Eric Mansour
Scotiabank

Bernard Morency
Caisse de dépôt et placement
du Québec

Lenh Myers
Ontario Ministry of Finance

Jim Pesando
University of Toronto

James Pierlot
Pierlot Pension Law

Graham Pugh
Ontario Municipal
Employees' Retirement
System

Tom Reid
Sun Life Financial Inc.

Rob Ritchie
Great-West Life Assurance
Company

Tammy Schirle
Wilfrid Laurier University

Allan Shapira
Aon Hewitt

Faisal Siddiqi
Buck Consultants

Matt Smith
BMO Financial Group

Jana Steele
Osler, Hoskin & Harcourt LLP

Rob Stewart
Department of Finance

Leo de Bever
Alberta Investment
Management Corporation
(AIMCo)

Randy VanDerStarren
Open Access

Fred Vettese
Morneau Shepell

Barbara Zvan
Ontario Teachers' Pension
Plan

Health Policy Council in 2014

CO-CHAIRS

Tom Closson
President & CEO, Tom Closson Consulting;
former President & CEO, Ontario Hospital Association

Dr. Brian Postl
Dean of the Faculty of Medicine, University of Manitoba;
Chair of the Canadian Institute for Health Information

MEMBERS

Owen Adams
Canadian Medical Association

Justin Bates
Neighbourhood Pharmacy
Association of Canada

Ken Chan
Cystic Fibrosis Canada

Andrea Cohen Barrack
Ontario Trillium Foundation

Dr. Bob Bell
Ontario Ministry of Health
and Long-Term Care

Ake Blomqvist
Carleton University

Candace Chartier
Ontario Long Term Care
Association

Denise Cloutier
Pfizer Canada

Anthony Dale
Ontario Hospital Association

Janet Davidson
Alberta Health

David Dodge
Bennett Jones LLP

Will Falk
PriceWaterhouseCoopers

Daniel Fontaine
B.C. Care Providers
Association

David Fortier
Pfizer Canada Inc.

Neil Fraser
Medtronic of Canada Ltd.

Michael Green
Canada Health Infoway

Dr. Elliot Halparin

Gerald Hartman
Independent Diagnostic
Clinics Association

Sen. Michael Kirby
Partners for Mental Health

Steve Long
Shoppers Drug Mart.

TBD
Manulife

Camille Orridge
Toronto Central Local Health
Integration Network

John Rafferty
Canadian National Institute
for the Blind

Marcel Saulnier
Health Canada

Shirlee Sharkey
Saint Elizabeth Health Care

Dr. Graham Sher
Canadian Blood Services

Joël Simard
GE Canada

Dr. Bob Bell
Ontario Ministry of Health
and Long-Term Care

Dr. David Walker
FRCPC, Queen's University

Kevin Wark
The Conference for
Advanced Life Underwriting

THE INSTITUTE'S 2014 RESEARCH

Alf Wirth, Steve Rhone and Stephen Smith

National Council in 2014

CHAIR

David Dodge

Senior Advisor, Bennett Jones LLP, former Governor of the Bank of Canada

MEMBERS

Steven Ambler

Université du Québec à
Montréal

Anita Anand

University of Toronto

Åke Blomqvist

Carleton University

Tom Closson

Marshall Cohen

Cassels Brock & Blackwell
LLP

Sherry Cooper

DeGroote School of Business

Leo de Bever

David F. Denison

Wendy Dobson

Rotman Institute for
International Business

Rupert Duchesne

Aimia Corporation

Janet Ecker

Toronto Financial Services
Alliance

Jock A. Finlayson

Business Council of British
Columbia

Adam Found

City of Kawartha Lakes

Timothy J. Hearn

Hearn & Associates

Lawrence Herman

Herman & Associates

Peter Howitt

Brown University

Henry N.R. Jackman

E-L Financial Corporation
Limited

Susan Wolburgh Jenah

David R. Johnson

Wilfrid Laurier University

Thorsten Koeppl

Queen's University

Nicholas Le Pan

John D. McNeil

Gary P. Mooney

Canadian Lender Solutions

Edward P. Neufeld

University of Toronto

Jeffrey Orr

Power Financial Corporation

Hari K. Panday

PanVest Capital Corporation

John Richards

Simon Fraser University

Joe Rotman

Roy-L Capital Corporation

Indira Samarasekera

University of Alberta

Guy Savard

Osler, Hoskin & Harcourt LLP

Gino Scapillati

PwC

Kim Shannon

Sionna Investment Managers

Ray Sharma

Extreme Venture Partners

Kathleen Taylor

RBC Board of Directors

Gordon G. Thiessen

Craig C. Thorburn

Blake, Cassels & Graydon
LLP

2014 Policy Events

The Institute's off-the-record, invitation-only policy roundtables, conferences and special events bring together corporate executives, policy leaders, senior civil servants, and acclaimed scholars for substantive discussions on policy issues. The Institute held the following events in 2014 (in chronological order):

Gaétan Caron, Chair and CEO, National Energy Board

Policy and Regulation at the National Energy Board
Roundtable Luncheon, Calgary

The Hon. Kerry-Lynne Findlay, Minister of National Revenue, Canada Revenue Agency

My Priorities for the CRA in the Year Ahead
Roundtable Luncheon, Toronto

Ray Gilmour, Deputy Minister, Alberta Treasury Board and Finance

Alberta's 2013 Budget and the Effects of Flooding on Alberta's Economy
Roundtable Luncheon, Calgary

Anthony Lacavera, Chairman and CEO, Wind Mobile and Globalive Group

Regulations of Canadian Telecommunications: Past, Present and Future
Roundtable Luncheon, Toronto

Eileen Mercier, Chair of the Board, Ontario Teachers' Pension Plan

Corporate Governance: Where the Buck Stops, Change Must Start
Roundtable Luncheon, Toronto
SPONSORED BY J.P. MORGAN

Hal Kvisle, President and CEO, Talisman Energy Inc.

Unconventional Energy Opportunities in Western Canada
Roundtable Luncheon, Calgary

The Hon. Rona Ambrose, Minister, Health Canada

The Economics of Healthcare and the Need for Innovation
Healthcare Policy Roundtable Series, Toronto
SPONSORED BY MANULIFE

The Hon. Tony Clement, President, Treasury Board of Canada Secretariat

Fairness for All Canadians
Roundtable Luncheon, Toronto

Paul Moist, National President, Canadian Union of Public Employees

Retirement Security in Canada
Roundtable Luncheon, Toronto

General T.J. Lawson, Chief of the Defence Staff, Canadian Forces

The State of the Canadian Armed Forces and Its Priorities
Roundtable Luncheon, Toronto
SPONSORED BY AGF MANAGEMENT

Andy Byford, Chief Executive Officer, Toronto Transit Commission

TTC: Our Big Year Ahead
Roundtable Luncheon, Toronto

Simon Kennedy, Deputy Minister of International Trade, Department of Foreign Affairs, Trade and Development

Canada's Trade Agenda
Roundtable Luncheon, Toronto
SPONSORED BY BARRICK GOLD CORPORATION

Andrew Parkin, Director General, Council of Ministers of Education; and David Johnson, Professor of Economics, Wilfrid Laurier University

OECD Test Results: Should We Be Worried About Canadian Student Performance on International Tests?
Roundtable Luncheon, Toronto

Dwight Duncan, Senior Strategic Advisor, McMillan LLP; Janet Ecker, President and CEO, Toronto Financial Services Alliance; William Robson, President and CEO, C.D. Howe Institute; and Colin Busby, Senior Policy Analyst, C.D. Howe Institute

Two former Finance Ministers on the Release of the Latest CDHI "Pinocchio Index" of Federal & Provincial Government Financial Accountability
Roundtable Luncheon, Toronto

Michael Horgan, Deputy Minister, Finance Canada

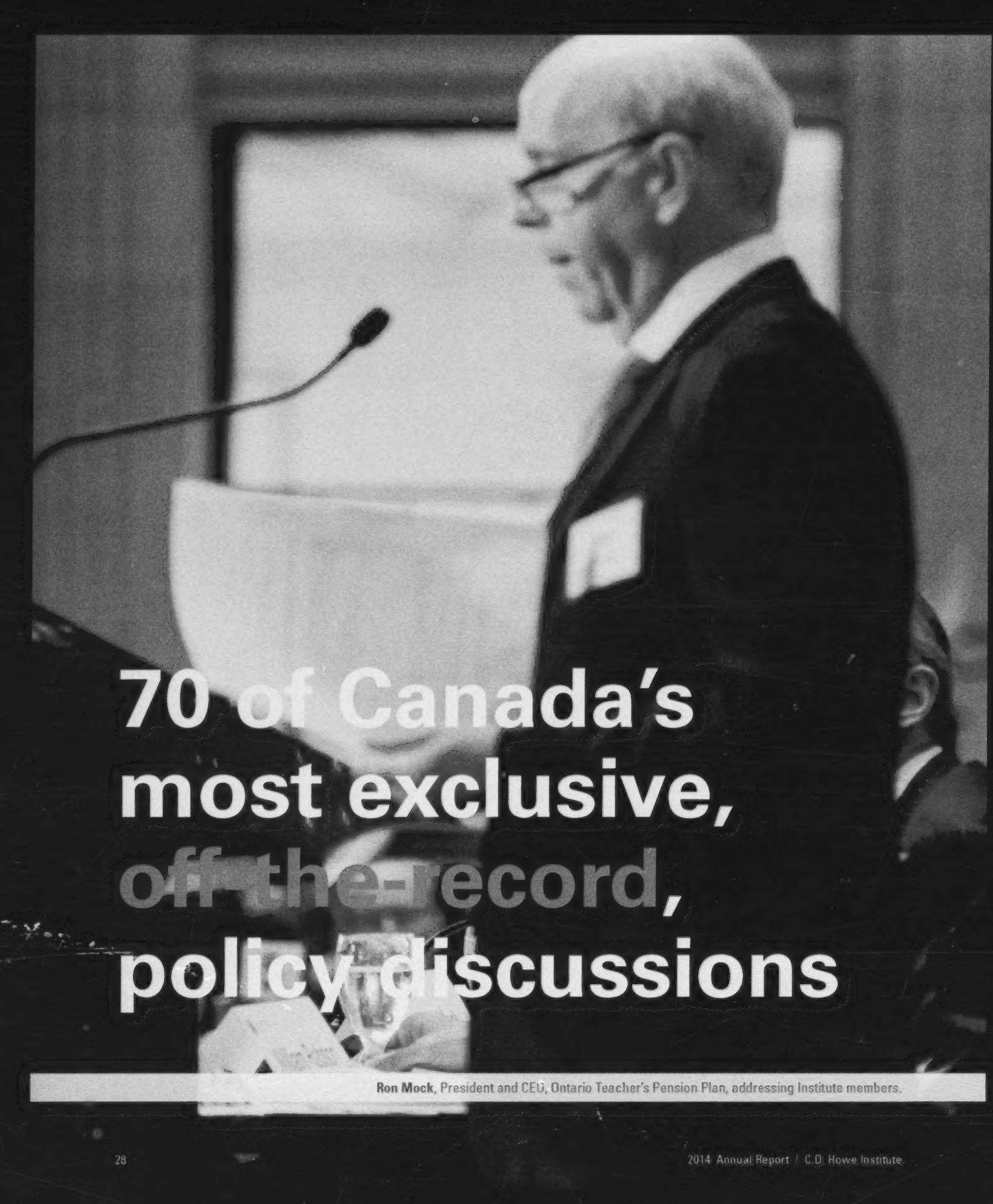
The 2014 Federal Budget: 'A National Conversation'
Roundtable Luncheon, Toronto and live videoconference with Calgary
SPONSORED BY RBC CAPITAL MARKETS

Andrea Horwath, Leader, Ontario NDP

Building a Sustainable Future for Ontario
Roundtable Luncheon, Toronto

I. David Marshall, President and CEO, Workplace Safety and Insurance Board

The WSIB: An Historic Transformation
Roundtable Luncheon, Toronto



70 of Canada's most exclusive, off-the-record, policy discussions

Ron Mock, President and CEO, Ontario Teacher's Pension Plan, addressing Institute members.

Keynote speaker: Lawrence Schembri, Deputy Governor, Bank of Canada

Conference on Financial Regulation: Impact on Competitiveness, Competition, and Consumers
Special Policy Conference, Toronto

Gérald Cossette, Director, Financial Transactions and Reports Analysis Centre of Canada (FINTRAC)

Money Laundering and Terrorist Financing: What's at Stake and How Are We Responding?
Roundtable Luncheon, Toronto

Linda Hasenfratz, CEO, Linamar Corporation
Canadian Manufacturing Competitiveness and the Role of Government
Executive Briefing, Ottawa

Wayne Wouters, Clerk of the Privy Council and Secretary to the Cabinet
Canada's Economic Competitiveness: The Challenges Ahead
Roundtable Luncheon, Toronto

Claude Mongeau, President and CEO, Canadian National Railway
An Inside View of Railway Economic Regulation in Canada
Roundtable Luncheon, Toronto
SPONSORED BY VALERO ENERGY CORPORATION

Andrew Kriegler, Deputy Superintendent, Supervision Sector, OSFI
Supervisory Proportionality
Roundtable Luncheon, Toronto
SPONSORED BY THE CANADIAN BANKERS ASSOCIATION

Richard Alvarez, President and CEO, Canada Health Infoway; Edward Brown, CEO, Ontario Telemedicine Network; Robert Bell, CEO, UHN
Navigating the Healthcare System: The Patient's Perspective
Healthcare Policy Roundtable Series, Toronto
SPONSORED BY MANULIFE

The Hon. Kevin Sorenson, Minister of State (Finance), Government of Canada
Targeted Action to Keep Your Pension and Economy Strong
Roundtable Luncheon, Toronto
SPONSORED BY CIBC

Dennis DesRosiers, President, DesRosiers Automotive Consultants Inc.

Looking Forward: Challenges Ahead for the Canadian Automotive Manufacturing Sector
Roundtable Luncheon, Toronto
SPONSORED BY FORD MOTOR COMPANY CANADA

Kelly Peters, CEO and Managing Partner, BEworks; Benoit Robidoux, Assistant Deputy Minister, Economic and Fiscal Policy Branch, Finance Canada; and Dilip Soman, Professor, Rotman School of Management, University of Toronto
Behavioural Economics: Nudging Towards a New Way to Think about Policy
Scholars' Dinner, Toronto
MADE POSSIBLE BY A GENEROUS GRANT FROM DR. WENDY DOBSON

David Jacobson, Vice Chairman, BMO Financial Group; and John Weekes, Senior Business Advisor, Bennett Jones LLP
Renewing the Vision of NAFTA
Roundtable Luncheon, Toronto
SPONSORED BY BMO HARRIS PRIVATE BANKING

Leo de Bever, CEO, Alberta Investment Management Corporation (AIMCo); and Ron Mock, President and CEO, Ontario Teachers' Pension Plan (OTPP)
Value-Creation in 21st Century Businesses: The Long-Term Investor's Perspective
Annual Directors' Dinner, Toronto
SPONSORED BY BENNETT JONES LLP

Kathleen Taylor, Chair of the Board, Royal Bank of Canada
Exporting Canadian Goods, Services and Culture
Roundtable Luncheon, Toronto

Mark Chauvin, Group Head, Risk Management, and CRO, TD; Stephen Hart, CRO, Scotiabank; Rahim Hirji, EVP and CRO, Manulife
Calm After the Storm? 2014's Risk Assessment
Patrons' Circle Dinner, Toronto
SPONSORED BY GRANT THORNTON LLP

Al Monaco, President and CEO, Enbridge
Meeting the Challenges of Developing Energy Infrastructure
Roundtable Luncheon, Calgary
SPONSORED BY RBC CAPITAL MARKETS

Henri-Paul Rousseau, Vice-Chairman, Power Corporation of Canada
High Income Traps: The Challenge of Delivering Ongoing Prosperity
Roundtable Luncheon, Montreal

Ed Devlin, Managing Director, Head of Canadian Portfolio Management, PIMCO
PIMCO's Secular 'New Neutral' and the Implications for Canada
Roundtable Luncheon, Toronto

Michèle Bourque, President and CEO, Canada Deposit Insurance Corporation
CDIC's New Role as Canada's Resolution Authority
Roundtable Luncheon, Toronto

Naheed Nenshi, Mayor of Calgary
Building a Prosperous City for Every Calgarian
Roundtable Luncheon, Calgary

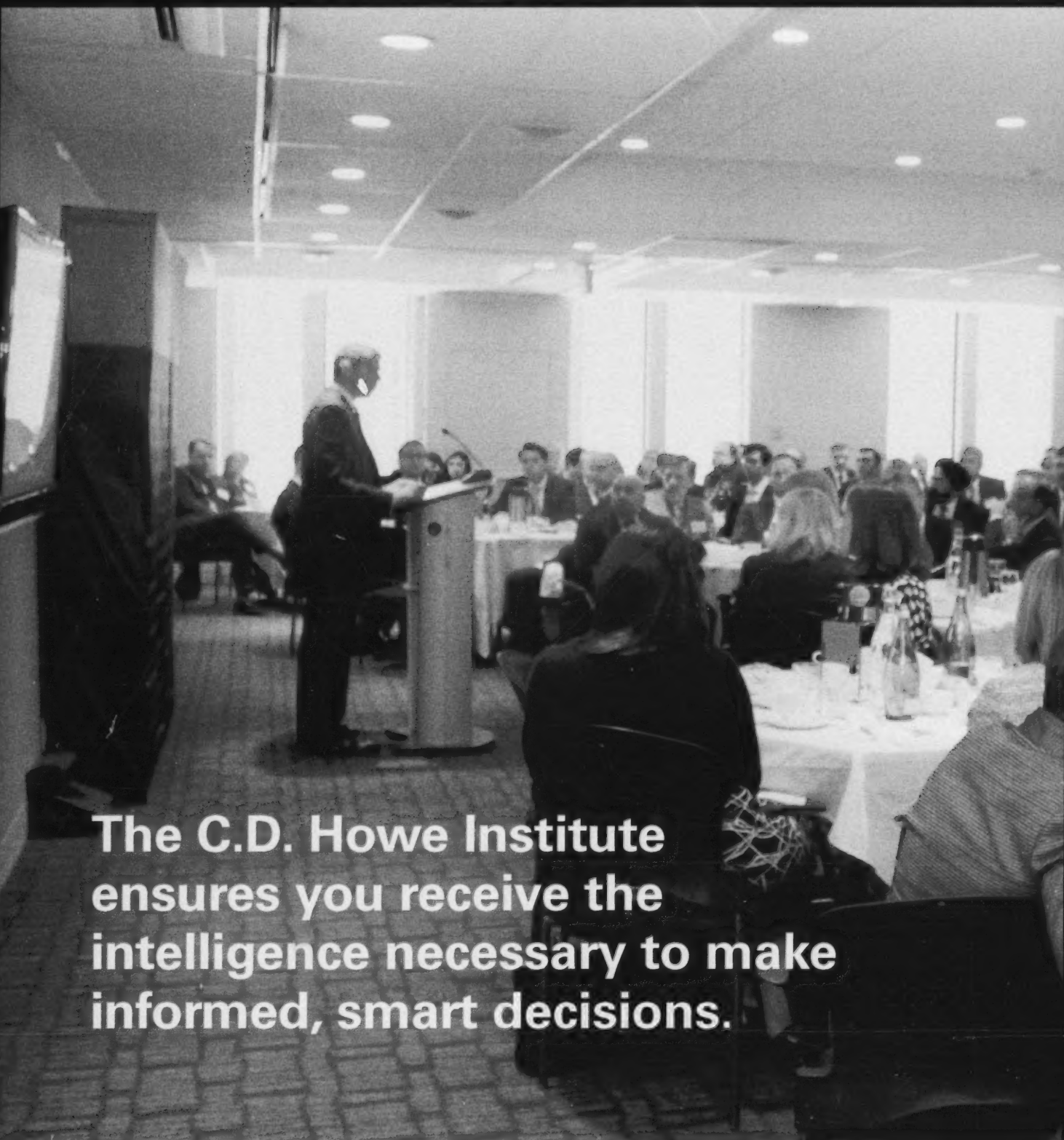
Keynote speaker: Mark Zelmer, Deputy Superintendent, Office of the Superintendent of Financial Institutions
Housing Markets and Policy: Steady as She Goes, or Headed for a Fall?
Special Policy Conference, Toronto
SPONSORED BY CANADA GUARANTY, GENWORTH FINANCIAL, TORONTO REAL ESTATE BOARD, HOME TRUST, MATTAMY HOMES, AND BROOKFIELD RPS

Moya Greene, CEO, Royal Mail Group
A Right Royal Flotation – the Privatisation of Royal Mail
Roundtable Luncheon, Toronto
SPONSORED BY CIBC

Yves Desjardins-Siciliano, President and CEO, Via Rail Canada
Straight Ahead: The Future of VIA Rail Canada
Roundtable Luncheon, Toronto

The Hon. Doug Horner, President of Treasury Board & Minister of Finance, Government of Alberta
Strong and Steady: An Alberta Story of Growth and Potential
Roundtable Luncheon, Calgary

The Hon. Chris Alexander, Minister, Citizenship and Immigration Canada
Policy Changes to Canada's Immigration System
Roundtable Luncheon, Toronto



**The C.D. Howe Institute
ensures you receive the
intelligence necessary to make
informed, smart decisions.**

Andrew Kriegler, Deputy Superintendent, Supervision Sector, Office of the Superintendent of Financial Institutions, discusses regulatory proportionality with Institute members.





2014 POLICY EVENTS



David Dodge and Kevin Dancsey

A.J. Goulding, President, London Economics International LLC; Terry Boston, President and CEO, PJM Interconnection; Bryne Purchase, Adjunct Professor, School of Policy Studies, Queen's University
What's Next for Ontario's Electricity Market?
Roundtable Luncheon, Toronto

Candace Chartier, CEO, Ontario Long Term Care Association; André Picard, Health Columnist, The Globe and Mail; Åke Blomqvist, Adjunct Research Professor, Carleton University; and Colin Busby, Senior Policy Analyst, C.D. Howe Institute
Funding Long-Term Care: Can We Handle It?
Roundtable Luncheon, Toronto
SPONSORED BY THE CONFERENCE FOR ADVANCED LIFE UNDERWRITING

Peter Tertzakian, Chief Energy Economist & Managing Director, ARC Financial Corporation
Trendlines versus Headlines: The Real Story Behind Canada's Oil & Gas Industry
Roundtable Luncheon, Toronto

Olivia Chow, and John Tory
Luncheon Event with the 2014 Toronto Mayoral Candidates
Roundtable Luncheon, Toronto

The Hon. Carlos Leitão, Minister of Finance for Quebec
Quebec's Economic and Financial Outlook
Roundtable Luncheon, Montreal

Steve Williams, President and CEO, Suncor Energy
The Next Conversation: How Innovation and Collaboration Can Lead to a Better Energy Future
Executive Briefing, Ottawa

Meric Gertler, President, University of Toronto
Universities, Cities, and Prosperity
Roundtable Luncheon, Toronto
SPONSORED BY BOYDEN GLOBAL EXECUTIVE SEARCH

Doug Suttles, President and CEO, Encana Corporation
Canadian Energy, Opportunities and Challenges
Roundtable Luncheon, Toronto
SPONSORED BY CIBC

David Fortier, Director of Patient Access, Health Policy and Government Relations, Ontario, Pfizer; Paul Grootendorst, Director, Division of Social and Administrative Pharmacy, Leslie Dan Faculty of Pharmacy, University of Toronto; Jim Keon, President, Canadian Generic Pharmaceutical Association; and Suzanne McGurn, Interim Assistant Deputy Minister and Executive Officer, Ontario Public Drug Programs Division, Ontario Ministry of Health and Long-Term Care
How We Pay for Drugs: Is the Pan-Canadian Pricing Alliance on Track?
Healthcare Policy Roundtable Series, Toronto
SPONSORED BY MANULIFE

Paul Rochon, Deputy Minister, Finance Canada
The Economic Situation, Outlook, and Medium-Term Challenges
Annual David Laidler Luncheon, Toronto and live videoconference with Montreal

Adam Found, Manager of Corporate Assets, City of Kawartha Lakes; Ben Dachis, Senior Policy Analyst, C.D. Howe Institute; and Michael Brooks, CEO, REALPac
What Gets Measured Gets Managed: The 2014 C.D. Howe Institute Business Tax Burden Estimate
Roundtable Luncheon, Toronto
SPONSORED BY THE GREATER SASKATOON CHAMBER OF COMMERCE AND OTHER CHAMBERS OF COMMERCE ACROSS CANADA

Jerry Dias, National President, Unifor
The Labour Movement and Good Jobs
Roundtable Luncheon, Toronto

Ed Clark, Chair, Ontario Premier's Advisory Council on Government Assets
Update from the Premier's Advisory Council on Government Assets
Special Roundtable Luncheon, Toronto

Policy Conference: Transforming the Canadian Payments System
Special Policy Conference, Toronto
LEAD SPONSORS: VISA AND CIBC, SUPPORTING SPONSOR: BERKELEY PAYMENT SOLUTIONS

William B.P. Robson, President and CEO, C.D. Howe Institute
Canada Confronts the 'New Normal': Economic Policy in an Era of Slower Growth
Executive Briefing, Ottawa
SPONSORED BY BMO FINANCIAL GROUP



Leo de Bever, Ron Mock and William B.P. Robson

Shari Austin, Vice President, Corporate Citizenship and Executive Director, RBC Foundation; **Ian Bird**, President, Community Foundations of Canada; **Andrea Cohen Barrack**, CEO, Ontario Trillium Foundation
Philanthropy's Evolution: New Roles and Expectations
Roundtable Luncheon, Toronto

The Rt. Hon. Paul Martin, Founder, Martin Aboriginal Education Initiative; **Stan Rutwind**, Assistant Deputy Minister of Consultation and Land Claims, Alberta Aboriginal Relations; **J.P. Gladu**, President and CEO, Canadian Council for Aboriginal Business; and **Dave Tuccaro**, President and CEO, Tuccaro Inc
First Nations Engagement in Canadian Energy
Annual Calgary Dinner
SPONSORED BY GE

Steve Laut, President, Canadian Natural Resources
Canada's Oil & Gas Industry, Opportunities and Challenges, Myths and Realities
Roundtable, Calgary and live videoconference with Toronto
SPONSORED BY CIBC

Michael Latimer, President and CEO, Ontario Municipal Employees' Retirement System (OMERS)
OMERS Investment Strategy – Investing in Canada and around the World
Roundtable Luncheon, Toronto
SPONSORED BY JP MORGAN

Robert Couzin, Counsel, Couzin Taylor LLP; **Brian Ernewein**, General Director, Tax Policy Branch, Finance Canada; and **Finn Poschmann**, Vice President, Policy Analysis
A Discussion on the Base Erosion and Profit Shifting Tax Initiative
Annual Jack Mintz Seminar, Toronto

Kevin Milligan, Associate Professor of Economics, Vancouver School of Economics, University of British Columbia; **Michael Horgan**, Financial Sector and Economic Advisor, Bennett Jones; and **Jack Mintz**, Director, School of Public Policy, University of Calgary
Tax Policy for a New Era
Annual Benefactors' Lecture and Dinner, Toronto
IN COLLABORATION WITH CPA

Ronald Dekker, Executive Sales and Business Development Leader, Cisco Systems Canada; **Michael Hyatt**, Executive Chairman and Co-Founder, Bluecat Networks; **Jeff Musson**, Founder, North of 41; **Ray Sharma**, Founder and Executive Managing Partner, Extreme Venture Partners; Moderated by **John Stackhouse**, Senior Fellow, C.D. Howe Institute
Building vs. Selling: What's Best for Canada? What's Best for Canadian Technology Businesses?
Entrepreneurs Debate Series, Toronto
SPONSORED BY BDC

Louis Morisset, President and CEO, Autorité des marchés financiers
The AMF: A key contributor to the strength of Quebec's financial and economic ecosystem
Roundtable Luncheon, Montreal

The Hon. Michael Wilson, Chairman, Barclays Capital Canada
Taking the Shadow Banks out of the Shadows
Annual Sylvia Ostry Lecture and Luncheon, Toronto

Moshe Milevsky, Professor, Schulich School of Business, York University; **Thomas Reid**, Senior Vice-President, Group Retirement Services, Sun Life Financial Canada; **William Robson**, President and CEO, C.D. Howe Institute
Lower Returns and Longer Lives: Meeting Canada's Retirement Income Challenge
Roundtable Luncheon, Toronto
SPONSORED BY THE CONFERENCE FOR ADVANCED LIFE UNDERWRITING



Duncan Munn and Kathleen Taylor

Thank You for Your Charitable Giving

"Our support for the C.D. Howe is simple: as a provider of sound public policy options, the Institute is critical to fostering high living standards for future generations."

– Rebecca and John Horwood



"Currently in Canada we are at a stage where, in many aspects of public policy, difficult decisions will have to be made. The work done by the C.D. Howe Institute provides both policymakers and the public with valuable information to make the correct choices. This is why I support the Institute."

– Richard Howson



Richard Alvarez, Colin Busby, Duncan Munn and Michael Dexter

2014 Major Gifts and Grants

As a charity, private support makes the C.D. Howe Institute's work possible. People are often surprised by our modest resources. We have only one office, and about 30 staff. We have no eight-figure endowments or major, multi-year government grants. All donations are purely philanthropic – the Institute does not accept any donations that stipulate a predetermined result or otherwise inhibit the independence of its staff and authors.

Targeted major gifts and event sponsorships enable supporters to bolster the Institute's research and dissemination capacities in specific areas of interest. They complement the annual membership campaign, strengthening the Institute and enabling it to recruit scholars and support programs that enhance its ability to develop innovative solutions to policy challenges. The Institute's policy impact would not have been possible in the absence of support from the following donors and sponsors:

Major Gifts from Individuals

James C. Baillie
Malkin Dare
Wendy Dobson
Briar Foster
John and Rebecca Horwood
Richard Howson
Hal Jackman
Donald K. Johnson
Michael Koerner

Major Grants from Organizations

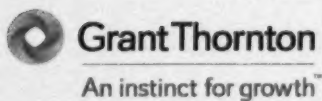
Aurea Foundation
Canadian Tax Foundation
Donner Canadian Foundation
Lotte & John Hecht Memorial Foundation
Max Bell Foundation
Pfizer Canada Inc.
The Harold Crabtree Foundation
The John Dobson Foundation
The Rotman Family Foundation
The W. Garfield Weston Foundation
The Wilson Foundation

Sponsorships

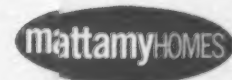
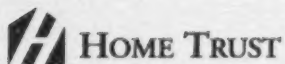
Major Event Sponsors



Your lawyer. Your law firm. Your business advisor.
www.bennettjones.com



Wendy Dobson



Brookfield RPS



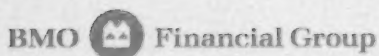
Roundtable Event Sponsors



J.P.Morgan



RBC Capital Markets



What are you doing after work?

The Chamber
Greater Vancouver Chamber of Commerce
Building the Best Business Climate in Canada,
Thrivingly Creating a City of Opportunity

and supporting chamber of commerce
across Canada.

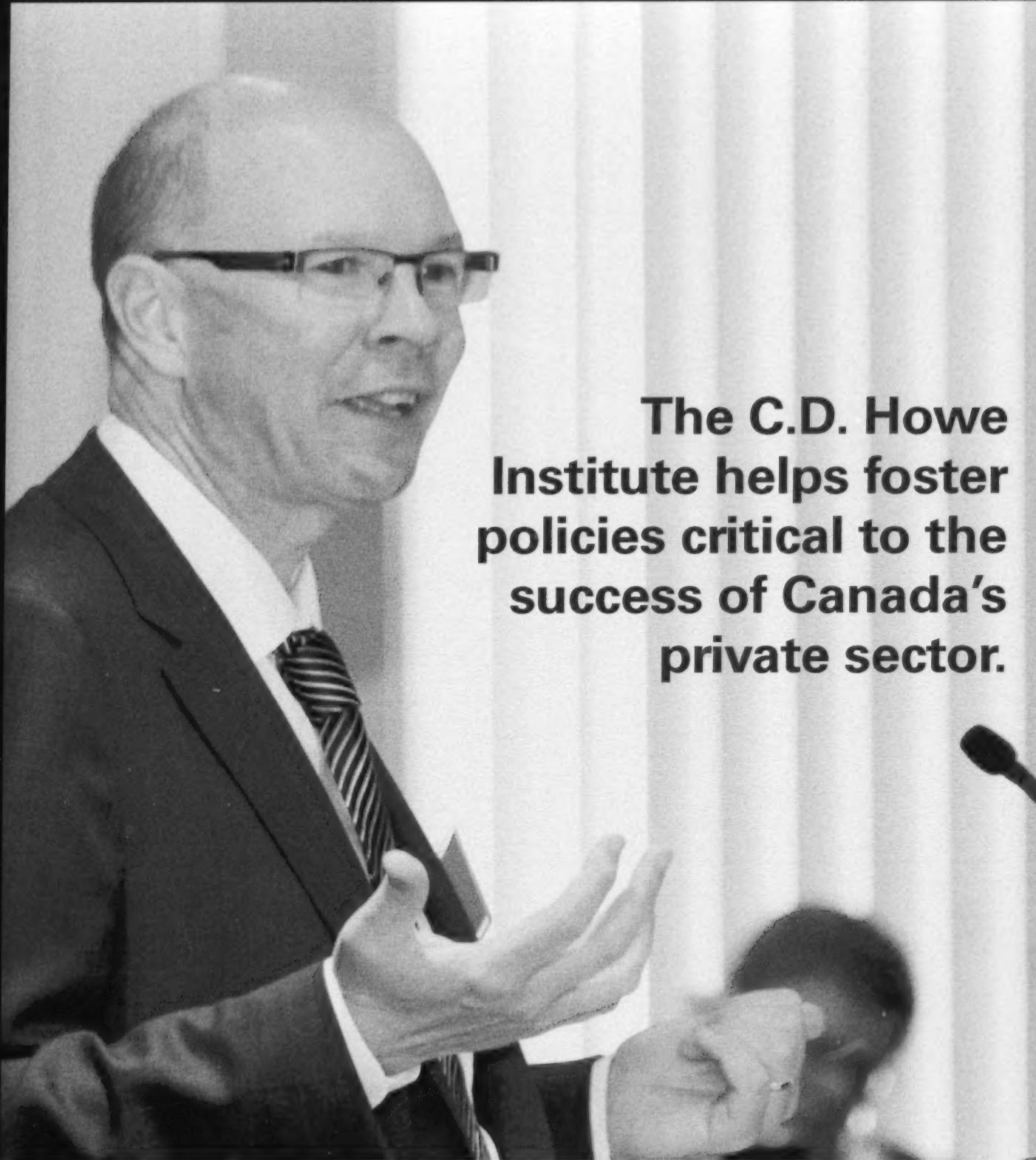


BURNCO



Boyden
interim management





**The C.D. Howe
Institute helps foster
policies critical to the
success of Canada's
private sector.**

Mark Zelmer, Deputy Superintendent, Office of the Superintendent of Financial Institutions, discusses financial regulatory reform with Institute members.

The Institute's Members

Post Secondary Subscribers

Carleton University
Centennial College
DeGroot School of
Business
HEC Montréal
McMaster
University
Queen's University
Ryerson University
The University of
Calgary
The University of
Western Ontario
University of
Alberta
University of British
Columbia
University of
Manitoba
University of
Toronto
Wilfrid Laurier
University

Individuals

Babak Abbaszadeh
Andrew Abouchar
Lalit Aggarwal
Francis R. Allen
KPA Advisory
Services Ltd.
E. James Arnett, Q.
C., of Counsel
James C. Baillie
Bruce Barker
Donald Bennett
Jalynn Bennett
George Bezaire
William Black
David E. Bond
R.A.N. Bonnycastle
Steven Bright
Peter Buzzi
Robert C. Caldwell
Edward A.
Carmichael

Edmund Clark
Jack Cockwell
Marshall A. Cohen
Will Cornelissen
Marcel Côté
Bryan and Malkin
Dare
Catherine Delaney
Ian Delaney
David F. Denison
Laurent Desbois
Hélène Desmarais
James Doak
Rod Dobson
Wendy Dobson
David Dodge
Steve Dorey
Robert Dunlop
Janet Ecker
Kevin Ellison
William F. Empey
Don Ezra
Will Falk
James D. Fleck
Briar Foster
Christine Girvan
Fred Gorbet
Peter Goring
Rob Graham BA,
MBA, ICD.D
John A.G. Grant
Barry Gros
Douglas Grundy
Geoffrey Hale
Mary and Graham
Hallward
Elliot Halparin MD,
CCFP, FCFP
C.M. Harding
Foundation
Marianne Harris
Gerald Hatch
Mark Hawman
Timothy J. Hearn
G.R. Heffernan
Lawrence Herman
Jim Hinds
Tim Hodgson
Igal Holtzer
Rebecca Horwood
Dallas Howe

The Petman
Foundation
Peter Hunt
H. Douglas Hunter
Julien Hutchinson
Richard W. Ivey
Jennifer Jeffs
Jon R. Johnson
Robert Johnstone
Marcel Kasumovich
John A. Kazanjian
Claire M.C. Kennedy
Thomas E. Kierans
Paul Kirkconnell
Anthony Lacavera
Robert Lamoureux
Michael Landry
Sébastien Leblond
David A. Leslie
Henry Lotin
Jeffrey Lozon
J.W. (Wes)
MacAleer
David A. Marshall
Stephen Marshall
Sabi Marwah
R.B. (Biff) Matthews
Rory McAlpine
David McCarthy
Gerald McCaughey
James P. McIlroy
Steven McNair
John D. McNeil
Mark McQueen
Jack Mintz
Bruce H. Mitchell
William Molson, CA
Gary P. Mooney
Russell J. Morrison
John P. Mulvihill
Edward P. Neufeld
Angelo Nikolakakis
David P. O'Brien
Albert Pace
Nick Pantaleo, FCA
Bill Papoutsis
Dani Peters
Paul Pryce
Bruce A. Ramsay
Donald S. Reimer
G.L. Reuber
Robert F. Richards

H. Sanford Riley
Philip Robson
William B.P. Robson
Del Rollo
W.P. Rosenfeld, Q.C.
Guylaine Saucier
Gerald Schwartz
Ziv Shnitzer
Mary-Anne
Sillamaa
Helen K. Sinclair
Sam Sivarajan
Andrew Spence
Paul R. Stanley
Wayne Steadman
Daniel Sullivan
Christopher
Sweeney
Catherine Swift
Thomas H.B.
Symons
Frederick H. Telmer
John D. Tennant
John M. Thompson
Craig C. Thorburn
Tom Trimble
Annette Verschuren
Warren Viegas
Richard Waugh
John Wilkinson
Scott Wilkinson
Ken Wilson, Coril
Holdings
Alfred G. Wirth
David Wishart
Tom Woods

Corporate, Association and Foundation Members

Advocis
Aequitas
Innovations Inc.
AGF Management
Limited
Agnico-Eagle Mines
Ltd.

Aimia
Algoma Central
Corporation
Alterna Savings
Altus Group
AMJ Campbell
Appraisal Institute
of Canada
ARC Financial Corp.
Association of
Canadian Pension
Management
Association of
Canadian Search,
Employment, and
Staffing Services
(ACESS)
Assuris
ATB Financial
ATCO Ltd. &
Canadian Utilities
Limited
Barrick Gold
Corporation
Benecaid
Bennett Jones LLP
Berkeley Payment
Solutions
Blake Cassels &
Graydon LLP
BMO Financial
Group
Bombardier Inc.
Borden Ladner
Gervais LLP
Boyden
Brookfield Asset
Management Inc.
Brookfield BRP
Canada Corp
Bruce Power
Buck Consultants, A
Xerox Company
Building Owners
and Managers
Association of
Canada
Burgundy Asset
Management
BURNCO Group of
Companies

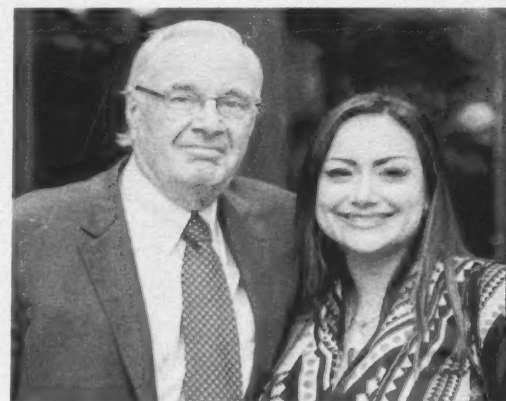
Business Council of
British Columbia
Business
Development Bank
of Canada
C.S.T. Consultants
Inc.
Cadillac Fairview
Corp. Ltd.
Caisse de dépôt
et placement du
Québec
Canada Deposit
Insurance
Corporation
Canada Overseas
Investments
Limited
Canada's Venture
Capital & Private
Equity Association
Canadian
Association
of Petroleum
Producers
Canadian Bankers
Association
Canadian Blood
Services
Canadian
Energy Pipeline
Association
Canadian ETF
Association
Canadian
Federation of
Independent
Business
Canadian Finance
& Leasing
Association
Canadian Gas
Association
Canadian Generic
Pharmaceutical
Association
Canadian Imperial
Bank of Commerce
Canadian Life and
Health Insurance
Association Inc.

A black and white photograph of Ed Clark, a man with glasses, wearing a light-colored shirt and a striped tie. He is gesturing with his right hand while speaking into a microphone at a podium. The background is dark.

The C.D. Howe is the podium of choice for Canada's policy makers.

Ed Clark, Chair of the Ontario Premier's Advisory Council on Government Assets, presents initial recommendations at a C.D. Howe Institute event on ways to maximize the value of the LCBO, Hydro One and OPG.

Canadian National Institute for the Blind (CNIB)	Ensign Energy Services Inc.	Intuit	Care Association
Canadian Pacific	Environics Institute	Investment Industry Association of Canada	Ontario Municipal Employees Retirement System (OMERS)
Canadian Pension & Benefits Institute	for Survey Research	Investment Industry Regulatory Organization of Canada	Ontario Power Generation Inc.
Canadian Tax Foundation	Equity Financial Holdings Inc.	Investors Group	Ontario Real Estate Association
Canadian Western Bank	Export Development Canada	J.P. Morgan	Ontario Teachers' Pension Plan
Canam Group Inc.	Extuple Inc.	Securities Canada Inc.	Ontario Trillium Foundation
Candor Investments Ltd.	Fednav Limited	Jackman Foundation	OpenText Corporation
Cargill Limited	Fidelity Investments	Kinross Gold Corporation	OPTrust
CCL Group Inc.	First National Financial LP	KPMG LLP	Osler, Hoskin & Harcourt LLP
Cenovus Energy Inc.	Ford Motor Company of Canada, Limited	Lehigh Hanson	Parsons
Certified General Accountants Association of Alberta	Forest Products Association of Canada	Lifelabs	Brinckerhoff
Certified General Accountants of Ontario	Four Halls Inc.	Maclab Enterprises	Pathways to Education Canada
Chevron Canada Limited	Front Street Capital	Magris Resources Inc.	Pfizer Canada Inc.
Clairvest Group Inc.	GE Canada	Manulife Financial	Pirie Foundation
CN	Genworth Financial Canada	Mastercard Canada	Potash Corporation of Saskatchewan Inc.
Coast Capital Savings Credit Union	Gluskin Sheff + Associates Inc.	Mattamy Homes	Power Corporation of Canada
Cogeco Cable Inc.	Gordon J. Homer Advisory Services	Max Bell Foundation	Procom Consultants Group Ltd.
Concentra Financial	Google Canada Inc.	McCain Foods Limited	Progress Energy Canada Ltd.
CPA Canada	Grant Thornton LLP	McCarthy Tétrault LLP	Promontory Financial Group Canada
Credit Union Central of Canada	Greater Saskatoon Chamber of Commerce	MD Physican Services	Property and Casualty Insurance Compensation
Dell Canada	Harvard Developments Inc., A Hill Company	Medcan Health Management Inc.	Public Sector Pension Investment Board
Deloitte	Hill & Knowlton	Medisys Health Group	PwC
Desjardins Group	Home Trust Company	Mercer	Qtrade Financial Group
Deutsche Bank AG, Canada Branch	Human Resources Professionals Association (HRPA)	Metro Inc.	RBC
Devon Canada Corporation	Husky Energy	MetroInx	Residential and Civil Construction Alliance of Ontario
Donner Canadian Foundation	Hydro-Québec	Monarch Corporation	Rogers Communications Inc.
E.I. du Pont Canada Company	IC Funding Financial Corp	Monitor Deloitte	Saint Elizabeth Health Care
Economap Inc.	Imperial Oil Limited	Morgan Meighen & Associates	Sandoz Canada Inc.
Edco Financial Holdings Ltd.	Independent Diagnostic Clinics Association	Morneau Shepell	Scotiabank
Edmonton Economic Development Corporation	Independent Electricity System Operator	Mullen Group Ltd.	
E-L Financial Corporation Limited	Insurance Bureau of Canada	National Bank of Canada	
Enbridge		NAV CANADA	
		Neighbourhood Pharmacy Association of Canada	
		Nexen Inc.	
		Normandin Beaudry	
		Ontario Long Term	

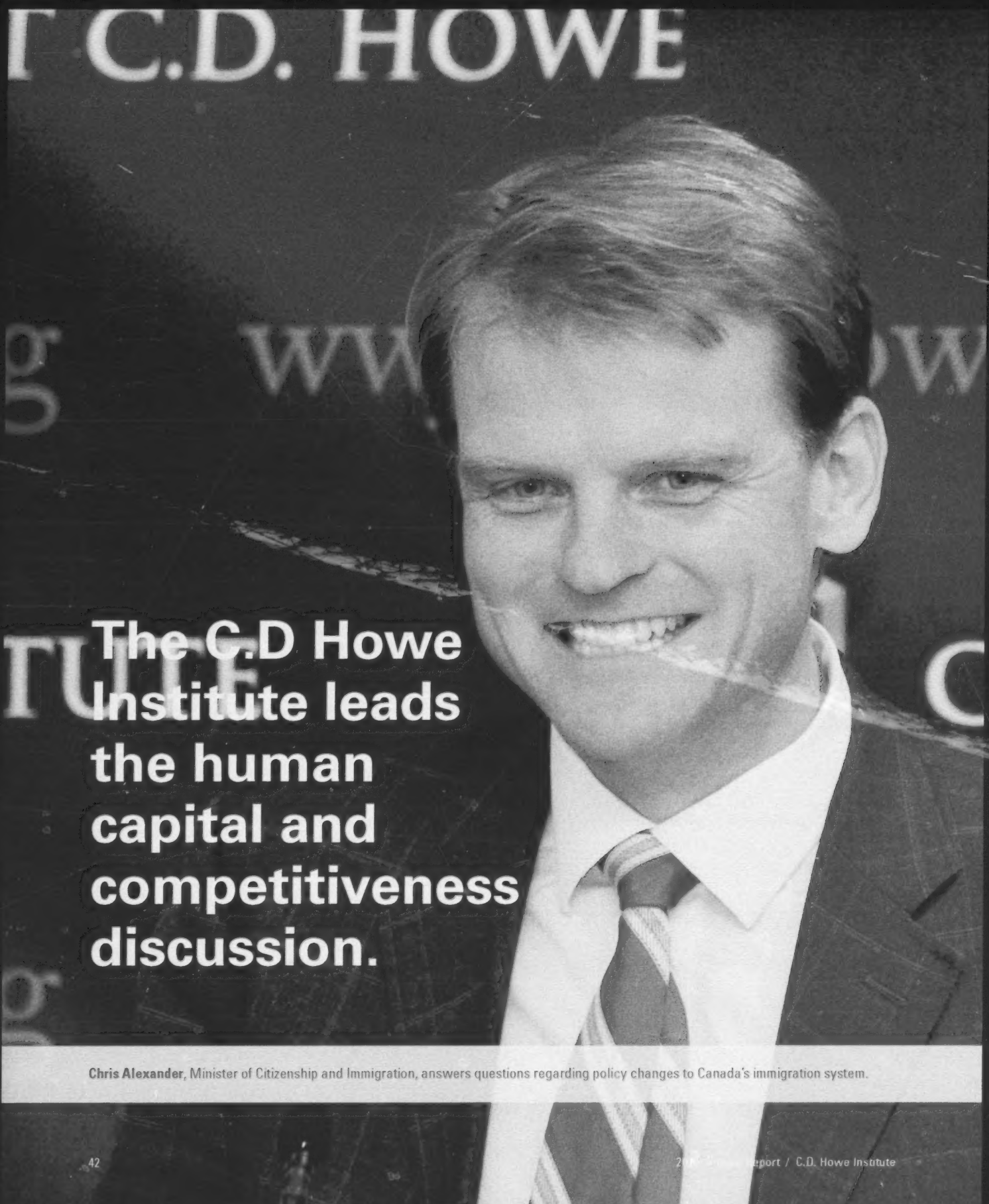


The Right Honourable Paul Martin and Nicole Robertson



Richard Venn and Moya Greene

C.D. HOWE



**The C.D Howe
Institute leads
the human
capital and
competitiveness
discussion.**

Chris Alexander, Minister of Citizenship and Immigration, answers questions regarding policy changes to Canada's immigration system.

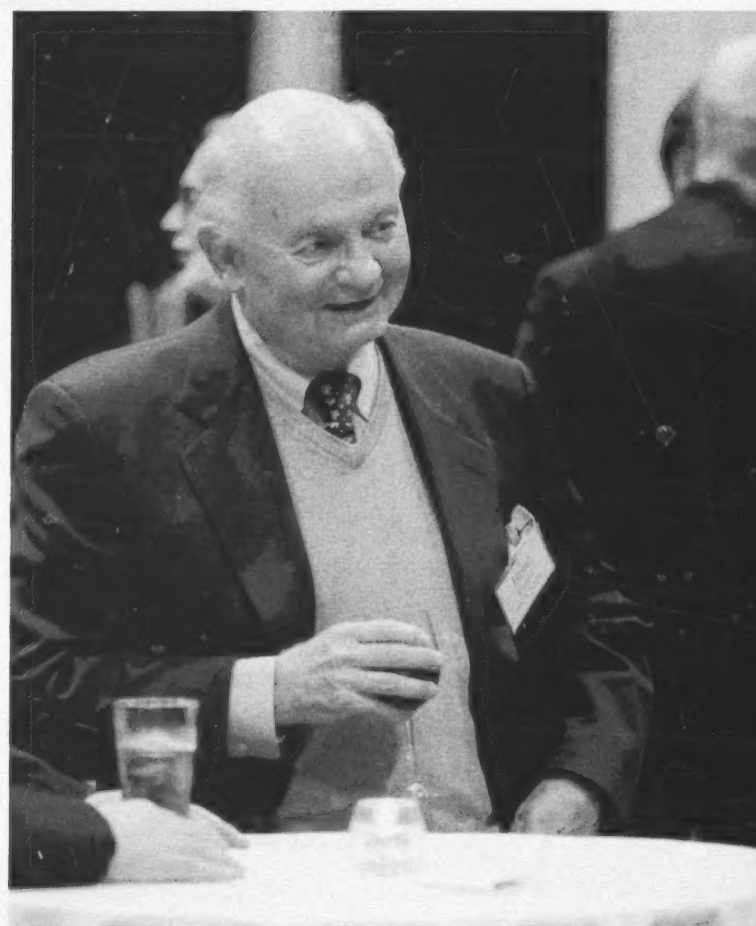


Sander Grieve and Gary Mooney

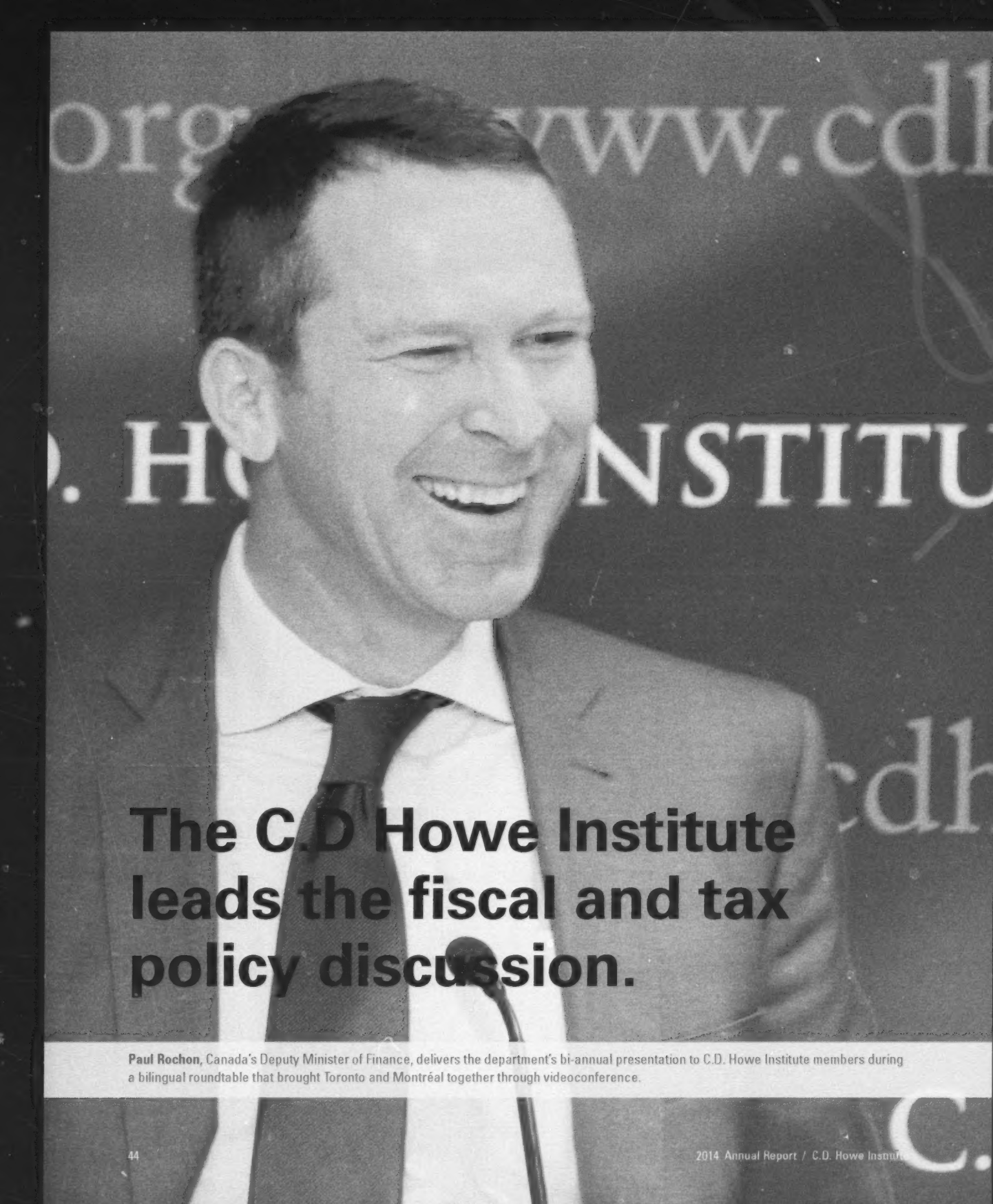
THE INSTITUTE'S MEMBERS

Shell Canada Limited
 Sionna Investment
 Managers
 SNC Lavalin Group
 Inc.
 Softchoice
 Corporation
 SpencerStuart
 Standard Life
 Stewart McKelvey
 Summerhill Capital
 Management
 Sun Life Financial Inc.
 Suncor Energy Inc.
 Talisman Energy Inc.
 TD Bank Group
 Teck Resources
 Limited
 Telpay
 The Canadian Council
 for Public-Private
 Partnerships
 The Conference
 for Advanced Life
 Underwriting
 The Great-West Life
 Assurance Company,
 London Life
 Insurance Company
 and Canada Life

The Guarantee
 Company of North
 America
 The Institute for
 Competitiveness and
 Prosperity
 The Investment Funds
 Institute of Canada
 Toronto Region Board
 of Trade
 Torys LLP
 Towers Watson
 Transat A.T. Inc.
 TransCanada
 Corporation
 Veresen Inc.
 Via Rail Canada Inc.
 Visa Canada
 Walton Group of
 Companies
 Wawanesa Insurance
 Weston Forest
 Products Inc.



Briar Foster



The C.D. Howe Institute leads the fiscal and tax policy discussion.

Paul Rochon, Canada's Deputy Minister of Finance, delivers the department's bi-annual presentation to C.D. Howe Institute members during a bilingual roundtable that brought Toronto and Montréal together through videoconference.

The Institute's People



Adrianna Alterman
Manager, Special Projects
and Events

Colin Busby
Senior Policy Analyst

Justin Caldwell
Development Officer

Christina Chew
Senior Event Planner

Benjamin Dachis
Senior Policy Analyst

Aline Emirzian
Event Financial &
Administration Coordinator

Nairy Cappiello
Executive Assistant to the SVP & COO
and Development Coordinator

James Fleming
Editor and Vice President, Media

Devan Gander
Development and Events Coordinator

Nicole Gileadi
Manager, Development and Member
Relations

Kristine Gray
Senior Coordinator, Research and
Executive Assistant to the Vice
President, Research

Daniela Iniguez
Office Coordinator

Aaron Jacobs
Researcher

Rowena Jeffers
Director of Accounting and
Administration

Amanda Klowak
Event Planner

Hal Koblin
Director of Research Advancement

Alexandre Laurin
Director of Research

Warren Mahomed
System and Database Administrator

Alex McBrien
Communications Coordinator

Heather McConnell
Development Officer, Events

Duncan Munn
Senior Vice President and
Chief Operating Officer

Kyle Murphy
Communications Coordinator

Finn Poschmann
Vice President, Policy Analysis

Joan Price
Corporate Secretary and Executive
Assistant to the President and
Chief Executive Officer

William B.P. Robson
President and Chief
Executive Officer

Daniel Safayeni
Development Officer

Daniel Schwanen
Vice President, Research

Yang Zhao
Graphic Designer

2014 Scholars

FELLOWS-IN-RESIDENCE

Steve Ambler
Anita Anand
Åke Blomqvist
Dan Ciuriak
Jean-Yves Duclos
Adam Found
Peter Howitt
Edward Iacobucci
David R. Johnson
Thorsten Koeppl
Kevin Milligan
John Richards

SENIOR FELLOWS

Richard Alvarez
John W. Crow
John M. Curtis
Leo de Bever
Don Drummond
Ivan P. Fellegi
Claude Forget
Frederick W. Gorbet
Malcolm Hamilton
Lawrence Herman
Ron Hicks
Lawson A.W. Hunter
Paul Jenkins
Thomas E. Kierans
Nicholas Le Pan
John Murray
Edward P. Neufeld
Al O'Brien
Sylvia Ostry
Grant L. Reuber
Andrew Spence
John Stackhouse
Gordon G. Thiessen
The Hon. Konrad W.
von Finckenstein

RESEARCH FELLOWS

Charles Beach
Richard Bird
Marcel Boyer
John Chant
Miles Corak
Philip Cross
Bev Dahlby
James Davies
Donald Dewees

W. Erwin Diewert
Wendy Dobson
Mati Dubrovinsky
Pierre Duguay
Ross Finnie
Pierre Fortin
Charles Freedman
Michael Hart
John Helliwell
Ian Irvine
Mark Jaccard
Jon Kesselman
David Laidler
David Longworth
James MacGee
Paul R. Masson
Angelo Melino
Frank Milne
Patrick J. Monahan
Alice Nakamura
Nancy Olewiler
Michael Parkin
Christopher Ragan
Angela Redish
William Scarth
Pierre Siklos
Arthur Sweetman
Michael Trebilcock
Daniel Treffer
William Watson
Thomas A. Wilson
Christopher
Worswick
Robert Young

INTERNATIONAL FELLOWS

Rosanne Altshuler
Alan J. Auerbach
Richard Blundell
Timothy Brennan
Thiess Buettner
Willem H. Buiter
Janet Currie
Arnold C. Harberger
Edward D. Kleinbard
Neil Quigley
Joel Slemrod
Lawrence J. White

Report of the Independent Auditor on the Summary Financial Statements

To the Members of C.D. Howe Institute

The accompanying summary financial statements, which comprise the summary balance sheet as at December 31, 2014, the summary statements of revenue and expenses and changes in fund balances for the year then ended, and the related note, are derived from the audited financial statements of the C.D. Howe Institute (the "Institute") for the year ended December 31, 2014. We expressed an unmodified audit opinion on those financial statements in our report dated May 6, 2015.

The summary financial statements do not contain all the disclosures required by Canadian accounting standards for not-for-profit organizations. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of the Institute.

Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation of a summary of the audited financial statements on the basis described in the Note.

Auditor's Responsibility

Our responsibility is to express an opinion on the summary financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standard (CAS) 810, "Engagements to Report on Summary Financial Statements."

Opinion

In our opinion, the summary financial statements derived from the audited financial statements of the Institute for the year ended December 31, 2014 are a fair summary of those financial statements, in accordance with the basis described in the Note.

Deloitte LLP

Chartered Professional Accountants, Chartered Accountants
Toronto, Ontario, Canada
Licensed Public Accountants
May 6, 2015

C.D. Howe Institute
Summary balance sheet
as at December 31, 2014

	2014	2013
	\$	\$
Assets		
Current assets		
Cash and cash equivalents	3,307,651	2,677,220
Short-term investments	-	555,109
Accounts receivable	107,364	242,903
Prepaid expenses	78,387	52,113
	3,493,402	3,527,345
Long-term investments	5,239,390	4,822,952
Capital assets	599,866	660,713
	9,332,658	9,011,010
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	133,450	157,105
Deferred revenue	1,675,694	1,841,362
	1,809,144	1,998,467
Long-term		
Deferred capital contributions	237,801	261,765
Deferred rent	207,039	217,167
	444,840	478,932
	2,253,984	2,477,399
Fund balances		
Invested in Capital Assets	362,065	398,948
Operating	1,491,118	1,313,147
Endowment Funds	5,225,491	4,821,516
	7,078,674	6,533,611
	9,332,658	9,011,010

C.D. Howe Institute
Note to the summary financial statements
December 31, 2014

Basis of the summary financial statements

The C.D. Howe Institute (the "Institute") has prepared these summary financial statements to be included as part of its annual report. The Institute has determined that the level of aggregation presented is adequate for the readers of the annual report.

The audited financial statements can be obtained from the Institute.

C.D. Howe Institute
Summary statement of revenue and expenses
year ended December 31, 2014

	2014	2013
	\$	\$
Revenues		
Contributions and subscriptions	3,632,413	3,397,582
Meetings revenue	742,813	581,282
Investment income – realized gains	6,842	8,641
Investment income – unrealized gains (losses)	5,011	(12,090)
Publication sales	10,538	14,205
Contract revenue	7,201	36,344
	4,404,818	4,025,964
Expenses		
Research, administrative and project expenses	4,141,564	3,733,362
Loss on disposal of capital assets	-	9,029
Amortization	122,166	137,166
	4,263,730	3,879,557
Excess of revenue over expenses for the year	141,088	146,407

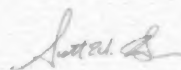
C.D. Howe Institute
Summary statement of changes in fund balances
year ended December 31, 2014

	Invested in Capital Assets Fund	Operating Fund	Endowment Funds	2014 Total	2013 Total
	\$	\$	\$	\$	\$
Balances, beginning of year	398,948	1,313,147	4,821,516	6,533,611	5,494,753
Excess of revenue over expenses for the year	(98,202)	239,290	-	141,088	146,407
Unrealized gains on investments	-	-	147,208	147,208	368,565
Contributions received during the year	-	-	191,401	191,401	320,000
Investment income	-	-	322,240	322,240	431,421
Transfer to deferred revenue during the year	-	-	(256,874)	(256,874)	(227,535)
Purchases of capital assets	61,319	(61,319)	-	-	-
Balances, end of year	362,065	1,491,118	5,225,491	7,078,674	6,533,611

Approved by the Board



Chair of the Board



Chair, Audit, Finance and Risk Committee

Become a Member

Your membership is a philanthropic investment in research that seeks to advance systems, structures and policies that support our businesses, and improves the economic and social well-being of all Canadians. Your support of these efforts means a great deal to the Institute.

For more information about becoming a member of the Institute, please contact: **Justin Caldwell** at 416-865-1904, ext 5429, or email jcaldwell@cdhowe.org

Support the Institute

Your personal support is critical to the Institute enhancing its policy impact. As a charity, we ask that you to take a moment and consider making a personal contribution to the C.D. Howe Institute today. You can call in your donation at 416-865-1904 or send an email to cdhowe@cdhowe.org.

Contact Us

You can contact us by telephone at 416-865-1904 or visit our website at [cdhowe@cdhowe.org](http://cdhowe.org).

C.D. Howe Institute

67 Yonge Street, Suite 300 Toronto, Ontario M5E 1J8



www.cdhowe.org

C.D. Howe Institute 67 Yonge Street, Suite 300 Toronto, Ontario M5E 1J8